

# Frankston City Council Proposed Annual Budget 2016 – 2017



opportunity » growth » lifestyle



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## Mayor's introduction

My fellow Councillors and I are proud to release the proposed Budget 2016–2017 to the Frankston City community for comment and public submissions.

Developing this year's draft budget has been a challenge, following the Victorian Government's decision to introduce a rate cap of 2.5 per cent.

I am pleased to report that we have met this imposed cap and in 2016–2017, we are committed to continuing to meet the growing level of demand for Council services, having reviewed current service levels to ensure they satisfy community needs.

Outstanding financial management means we are in a strong position, allowing us to operate as usual in 2016–2017 while we explore other ways to deal with the coming funding shortfall, estimated to be around \$43 million over the next five years.

Following the purchase of the new Frankston Regional Recycling and Recovery Centre (FRRRC) Councillors have given strong consideration to the continuation of the annual hard waste collection, and have included this in the proposed budget. Now we are looking for community feedback on what form this service will take – is there a preference for continuing with the current blanket collection, or for a system where each residence gets one pre-booked collection a year?

Our previous long-term financial plan had allowed for an average 5.5 per cent rate rise – 4.5 per cent for maintaining the current level of services and 1 per cent investment towards much needed infrastructure renewal expenditure.

In response, Council has lowered the level of spending on new and upgraded capital works for 2016–2017 (from \$25.98 million in 2015–2016 to \$15.38 million) and we anticipate continued reduced spending on new capital works in future years.

It is worth noting that for the first time this year, the budget process has involved consolidating the Peninsula Aquatic Recreation Centre (PARC) budget into the overall Council budget.

There is also no provision in this draft budget for any new spending initiatives that may arise during the financial year. Any new initiatives will need to be funded from clearly identified savings that can be made during the year.

Council will consult heavily with the community in future years to find out what is most important to you before we make the long-term decisions needed to cover the expected \$43 million shortfall.

The draft budget will go before Council on 4 April for endorsement ahead of its public exhibition, with public submissions to be heard at the 9 May meeting.

I look forward to hearing your feedback on the proposed Budget 2016–2017, and to continuing to work with the Frankston City community to identify our future budget priorities.

**Cr James Dooley**  
**Mayor, Frankston City Council**

## Chief Executive Officer's Message

There is no doubt that the 2016-17 financial year (and future financial periods) will pose significant challenges to Frankston City Council in this current rate capped environment. This Annual Budget document endeavours to deal with these challenges in the most prudent financial manner but there remain many consequences of the rate capping which are yet to be fully understood by the broader community.

In providing this message, I would like in particular to highlight some of these key points.

### *Is Council committed to achieving efficiencies in expenditures?*

Frankston City Council has been strongly committed to reducing operational spending over the past four years and has already made an accumulative reduction of \$19.8 million during this period. These savings have allowed Council to continue to deliver the same level of services to the community with less money. Council will continue this approach but it should be noted that there is much less scope to make further reductions without a consequent impact on service levels.

### *Impact on Council infrastructure spending*

Over the past five years Frankston City Council has significantly grown its funding for key Council infrastructure through responsible and stable rate increases of 5.50 per cent per annum. This has placed Council in a financial position to deliver major infrastructure including the recent Peninsula Aquatic Recreation Centre (PARC), the Frankston Regional Resource and Recycling Centre (FRRRC) and the Frankston Yacht Club development.

The reduction to an annual rate increase of 2.5 per cent will reduce Council revenue's by \$43 million over the next five years which will firstly reduce Council's ability to fund new capital projects and ultimately require reductions in current service provision.

### *How are other State / Commonwealth Government decisions adversely impacting Council?*

Whilst the rate capping regime directly limits Council's rate revenue (of which Council relies upon for 67 per cent of its revenue), there are a number of State / Commonwealth Government decisions which are further placing the Council financial position under duress. These include the following:

- For many years the Commonwealth and State Governments have transferred responsibilities of their programs to local government with insufficient funding or grants which don't keep pace with delivery costs. The impact is that our community is further burdened with increased rate charges to fund the gap in order to maintain service levels. Over the past five years additional costs to our community include home and community care (\$2 million), maternal and child health (\$1.1 million), library services (\$1 million) and school crossing supervision (\$0.5 million).
- The impact of cost shifting has been significantly increased by the Commonwealth Government decision to freeze Financial Assistance Grants provided to each State – for distribution to local governments – for a three year period which concludes in 2016-2017. This grant is the most important grant to Council and is estimated to provide \$8.54 million to Council in the coming year. Over the past four years however this grant has decreased by 0.27 per cent whilst the services it supports have grown in cost by an average of 16.00 per cent creating an accumulative funding gap of \$6.00 million.

- In addition, statutory fees including planning fees have been set by the State Government to prohibit full cost recovery in Council delivering the service. Again, the broader community is burdened with subsidising this shortfall (\$5.2 million over the past four years) for the benefit of developers.

*Has Council complied with the cap and will residents see this on individual rate notices?*

Frankston City Council has complied with the 2.5 per cent rate cap with total rates and municipal charges raised increasing from \$88,239,373 in 2015-2016 to \$90,446,706 in 2016-2017.

What has not been well communicated by the State Government however is that this 2.5 per cent increase will rarely translate to individual rate accounts. There are two reasons for this:

1. Individual rate accounts comprise of three components: State levies that Council collects on behalf of the State Government (Landfill Levy, Fire Services Levy), Council's waste services charge and Council rates. Council has no control over State levies which have risen at an alarming rate during the past five years. The Landfill Levy during this period has increased from \$9 per tonne in 2008-2009 to an estimated \$60.52 in 2016-2017. Council has not yet been advised of the 2016-2017 increase in the Fire Services Levy but it should be noted that this levy rose by over 7 per cent in the previous year;
2. Council is required by legislation to complete a revaluation of all properties every two years and 2016 is a revaluation year. Due to the revaluation, movement in individual rate accounts will be dependent on the movement in the total value Capital Improved Value (CIV) of your property. It is important to note that when a revaluation is carried out, the revenue that accrues to Council remains unchanged (i.e. Council does NOT make any additional revenue). What a revaluation does however is to re-distribute the rates between residents. Put simply – where valuations increase by more than the average valuation movement throughout the Council, individuals will pay a higher rate increase than the overall rate increase for Council. Conversely, where the change in valuation is lower than the average movement – rate increases will be below the average rate increase for the entire Council.

The communication of the impacts of Council revaluations is a challenge for all local Councils which differ markedly to State Land Tax where rising property values simply translate to a financial windfall for the State Government.

The purchase of the Frankston Regional Resource and Recycling Centre provides residents with an "all year round" facility for the disposal of hard and other waste. Council has continued to budget for a blanket hard waste collection in 2016-2017 and will retain an "at call" service for the convenience of residents and ratepayers. The provision of all services have increased costs to Council which has been passed on to ratepayers by way of a nil increase to green waste charges and 10 per cent increase to general waste charges.

In closing, this Council will continue to manage its financial position responsibly and in the best interests of the Frankston community. Whilst continued low rate increases are popular with the general community, this will have a direct impact on the services and infrastructure that Council can provide in the coming years.

**Dennis Hovenden**  
**Chief Executive Officer**

## Executive Summary

Council has prepared a proposed Budget for 2016-2017 which is aligned to the vision in the Council Plan 2013-2017. It seeks to maintain and improve services and infrastructure as well as deliver projects and services that are valued by our community, and do this within the rate increase mandated by the State Government.

This proposed Budget projects a surplus of \$22.41 million for 2016-2017, however, it should be noted that the adjusted underlying result is a surplus of \$16.54 million after adjusting for capital grants and contributions (refer Sections 5 and 10.1).

### Capping of Council Rates

On 2 December 2015, the Victorian Government passed legislation to restrict Council from increasing rate income by more than the average cap set by the Minister for Local Government.

The Minister for Local Government announced on 22 December 2015 that Victorian council rate rises would be capped to the rate of inflation in the 2016-2017 financial year. That is, the Consumer Price Index (CPI) as published by the Victorian Department of Treasury and Finance, which is **2.50 per cent** for the 2016-2017 financial year.

Where the level of income raised under the rate cap is insufficient to meet specific needs, councils can apply to the Essential Services Commission for a higher cap. Frankston City Council has not elected to apply for variation to the rate cap in the 2016-2017 year.

During the 2015-2016 year, a revaluation of all properties within the municipality was undertaken and will apply from 1 July 2016 for the 2016-2017 year. The outcome of the general revaluation has been a significant change in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 11.4 per cent. Of this increase, residential properties have increased by 12.7 per cent, commercial properties by 4.5 per cent and industrial properties by 1.7 per cent. Due to the impact of the revaluation in the 2016-2017 year, the rate percentage charged will not be a consistent 2.5 per cent. On average, residential properties rates component will increase by 3.8 per cent, commercial properties will decrease by 3.7 per cent and industrial properties will decrease by 6.2 per cent.

Type or class of land	No. of Assessments	% movement in valuation	Change in Rates
Ordinary Rate	54,359	12.7%	3.8%
Retirement Villages	574	9.5%	0.9%
Commercial Land	2,289	4.5%	(3.7%)
Industrial Land	2,461	1.7%	(6.2%)
Vacant Residential Land	604	18.6%	9.3%
Acacia Heath	240	9.0%	4.8%
Farm Land	13	(2.1%)	(9.7%)
Derelict Land	8	84.6%	70.2%
Rateable recreational properties	5	14.0%	4.9%
Rate by agreement (including Baxter Village)	527	9.6%	1.0%
<b>Total</b>	<b>61,080</b>	<b>11.4%</b>	<b>2.5%</b>

The following table summarises the **average** valuation changes between the 2014 and 2016 general revaluations for residential, commercial and industrial properties:

Average general residential rate	2015-2016	2016-2017	Variance %	Variance \$
Median residential valuation in Frankston	\$ 377,906	\$ 426,083	12.7%	
Residential rate in the dollar	0.003118	0.002873		
Total rates	\$ 1,178.31	\$ 1,224.14	3.9%	\$45.83
Municipal charge	\$ 148.85	\$ 152.55	2.5%	\$3.70
Council garbage charge (120L)(No GST)	\$ 286.50	\$ 315.20	10.0%	\$28.70
<b>Total rates and charges median residential</b>	<b>\$ 1,613.66</b>	<b>\$ 1,691.89</b>	<b>4.8%</b>	<b>\$78.23</b>

Average commercial rate	2015-2016	2016-2017	Variance %	Variance \$
Median commercial valuation in Frankston	\$ 876,509	\$ 915,951	4.5%	
Commercial rate in the dollar	0.003897	0.003592		
Total rates	\$ 3,415.90	\$ 3,290.10	(3.7%)	(\$125.81)
Municipal charge	\$ 148.85	\$ 152.55	2.5%	\$3.70
Council garbage charge (120L)(GST Incl)	\$ 315.20	\$ 346.77	10.0%	\$31.57
<b>Total rates and charges median commercial</b>	<b>\$ 3,879.95</b>	<b>\$ 3,789.42</b>	<b>(2.3%)</b>	<b>(\$90.54)</b>

Average industrial rate	2015-2016	2016-2017	Variance %	Variance \$
Median industrial valuation in Frankston	\$ 534,819	\$ 543,911	1.7%	
Industrial rate in the dollar	0.003897	0.003592		
Total rates	\$ 2,084.28	\$ 1,953.73	(6.3%)	(\$130.55)
Municipal charge	\$ 148.85	\$ 152.55	2.5%	\$3.70
<b>Total rates and charges median industrial</b>	<b>\$ 2,233.13</b>	<b>\$ 2,106.28</b>	<b>(5.7%)</b>	<b>(\$126.85)</b>

The provision of waste services is based on a cost recovery basis and these costs have been contained and therefore no increase in the garbage charges is to be levied.

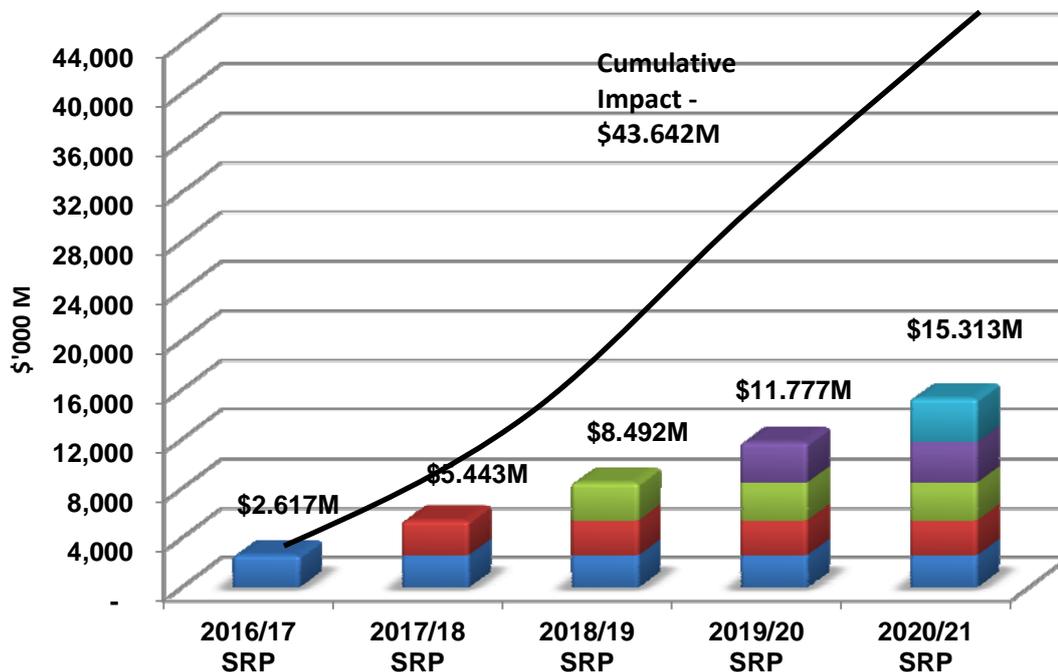
Key drivers:

- To fund ongoing service delivery – business as usual (balanced against greater service demands from residents)
- To fund renewal of infrastructure and community assets
- To cope with growth in the population of the Frankston City residents
- To cope with cost shifting from the State Government
- To cope with a reduction in funding from the Commonwealth Government via the Victoria Grants Commission caused by their freezing of indexation of the grant

Note that for every \$100 in taxes paid by Victorian residents, rates make up approximately \$3.50. The other \$96.50 goes to the State and Federal Governments. Refer Section 7 for further Rates and Charges details.

Rate capping will have a detrimental effect on Council's ability to provide community services and facilities in the future – leaving our services very vulnerable. The outcomes will have implications for future years and the Strategic Resource section of this budget document presents the cumulative impact in dollar terms of the forecast reduction in community services / capital spending to be realised.

**Proposed rate capping – Rates and Charges revenue reduction  
Cumulative impact**



SRP - Strategic Resource Plan estimates

**Key things we are funding**

- 1) Ongoing delivery of services to the Frankston City community funded by a budget of \$73.20 million. These services are summarised in Section 2.1.
- 2) Continued investment in Infrastructure assets (\$22.66 million) primarily for renewal works. This includes roads (\$3.3m); bridges (\$0.9m); footpaths and bicycle paths (\$4.3m); drainage (\$1.5m); waste management (\$0.2m); parks, open space and streetscapes (\$10.3m); and off street car parks (\$1.6m). The Statement of Capital Works can be found in Section 3 and further details on the capital works budget can be found in Sections 6 and 12.
- 3) The delivery of new and upgraded assets including Ballam Park pavilion upgrade (\$1.3m), Carrum Downs recreation reserve pavilion and car park (\$1.3m) and the Baxter Park soccer car park upgrade (\$0.95m).

**Strategic Objective 1: Planned city for future growth**

- 4) Implement year one activities in the Frankston City Economic Development Strategy, including:
  - Activities to promote business and jobs growth
  - Continued investment attraction – aligned with transit interchange projects
  - Health sector investment attraction campaign
- 5) Work with the State Government on Stage One of the Frankston Railway Station Precinct Masterplan to deliver the recommended priorities including:
  - Provide input and support for the completion of the Young Street upgrade
  - Provide input in design development of the Frankston Railway Station
  - Deliver a program of place activation activities

- 6) Endorse the car parking Precinct Plan and prepare a “Cash in Lieu” Parking Scheme

**Strategic Objective 2: A liveable city**

- 7) Increase investment and activation of the Frankston City Centre through investment, attraction and business support programs.
- 8) Support the establishment of a health centre of excellence to demonstrate evidence for an integrated health hub.
- 9) Continue to develop service levels for Asset management including:
- Footpaths
  - Shared Paths

**Strategic Objective 3: A sustainable city**

- 10) The five key projects have been completed.
- a) Continue to advocate for funding through State Government for recreational infrastructure and Carrum Downs Recreational Reserve and
  - b) Continue with the redevelopment of the Frankston Basketball Stadium
- 11) Manage the financial impact of rate capping on Council Services and infrastructure delivery
- 12) Implement Council’s Learning and Development Framework and Leadership Development Program

**Key Outcomes**

There are a number of key components of the proposed 2016-2017 Annual Budget to highlight as covered in the below points:-

- The Budget is based on the endorsed Long Term Financial Plan 2013 – 2017 (Year 4 Update).
- The proposed 2016-2017 Annual Budget is based on a rate capped average increase in Council rates of 2.50 per cent as prescribed by the State Government of Victoria.
- A reduced investment in the delivery of capital works, however a continued commitment to maintain the condition of community assets through asset renewal (\$21.38 million in 2016-2017 increasing to \$23.96 million in 2020-2021)
- The Annual Budget is prepared with zero increase in the green waste service charge and 10 per cent increase for general waste incorporating kerbside collection and recycling.
- Capital works budget of \$39.88 million (\$59.15 million in 2015-2016 Forecast including carry forwards).
- No further borrowings are planned in 2016-2017
- Whilst the annual cost escalation factor for Council has been assessed at 4.00 per cent for 2016-2017, the preparation of this annual budget involved a review of all operational services and costs. As a result of this review, budget reductions were identified and factored into the proposed 2016-2017 Annual Budget.

Operating Expenditure Movement	Budget	Budget	Variance
	2015-2016	2016-2017	
	\$'000	\$'000	%
<b>Expenses</b>	<b>141,873</b>	<b>145,104</b>	<b>2.28%</b>

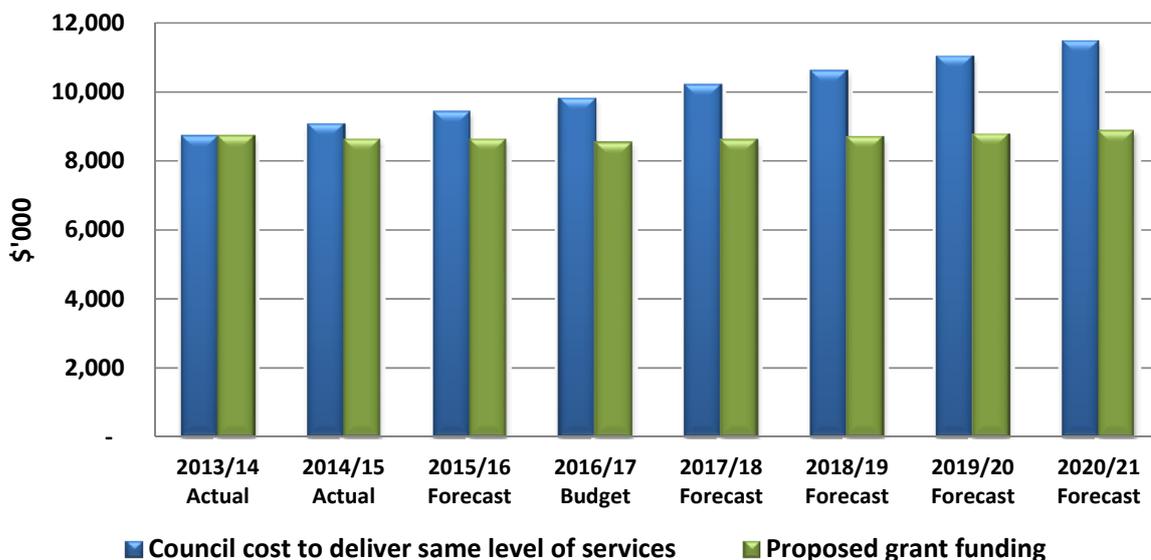
This budget continues to deliver value to the Frankston community in the provision of services and capital works. This budget provides for:

- \$26.93 million invested in the preservation of local amenity and promotion of a safe, clean and attractive city including shopping centres, natural reserves, foreshore infrastructure, recreation reserves and waste management;
- \$14.58 million to support and enhance the health and wellbeing of families, children and young people. Also to provide home and community based services to older people and people with disabilities;
- \$13.01 million to support the social, recreational, cultural and economic life of the community through innovative planning and development initiatives, delivering projects and managing quality public spaces;
- \$8.03 million to ensure the safety of the community;
- \$7.83 million to stimulate activity in the municipality through events, festivals, arts and libraries;
- \$4.53 million to undertake research and implement policies and programs to enhance community wellbeing, social inclusion, participation, empowerment and resilience;
- \$4.45 million to deliver, maintain and retire facility buildings in Frankston Council;
- \$24.00 million to be invested in maintaining and renewing existing community assets such as buildings, parks, footpaths and drains;
- \$15.38 million to be invested in new and upgrade capital works;
- \$0.50 million to be invested in asset expansion capital works;
- \$0.11 million in new operational initiatives to provide greater service capability to the community now and in the future.

**Key driver – reduction in Grants Commission funding**

From July 2014 the Federal Government froze indexation of its grants to Councils for three years (ceasing at the end of the 2016-2017 financial year). These grants vary from council to council, for Frankston City Council the proportion of its total revenue that is comprised by this funding equates to almost 6 per cent. For the term of the 5 year strategic resource plan, the freezing of indexation will cost Council up to \$10.9 million (estimate).

**Victoria Grants Commission  
Grant Funding - \$10.9 million shortfall**



**Key driver – Strategic Major Projects**

There has been significant investment in the infrastructure of Frankston City in the past few years, including:

- \$49.0 million Peninsula Aquatic Recreation Centre (PARC)
- \$12.3 million Frankston Regional Resource and Recycling Centre
- \$10.0 million Frankston Yacht Club
- \$3.4 million Frankston Park Function centre

The introduction of rate capping has restricted Council’s ability to deliver major projects in the future and must maintain its existing assets and meet the asset renewal challenges, whilst continuing to provide a strong suite of operational services to its residents.

**Key driver – New Initiatives**

To meet the rate cap of 2.5 per cent, new initiatives have been kept to a minimum during the preparation of the proposed 2016-2017 Annual Budget. The 2016-2017 Annual Budget does however include a total of \$0.11 million in new program initiatives including the following:

- \$30,000 Corporate performance reporting system – business analysis
- \$80,000 Debt management project

## Key infrastructure projects included in the proposed 2016-2017 Annual Budget

A significant allocation of Capital Works funds have been allocated to Structure Recreation with an overall budget of \$5.46 million. Significant projects in this category include:

- \$1,300,000 Ballam Park Pavilion - Design and construction of a new pavilion (*\$650,000 Council contribution*)
- \$1,300,000 Carrum Downs Recreation Reserve Pavilion – Construction of a new pavilion (*\$250,000 Council Contribution*)
- \$950,000 Baxter Park Soccer car park upgrade – construction of a new carpark (*\$950,000 Council contribution*)
- \$600,000 Frankston BMX Track – Stage 1 upgrade to the existing track (*\$500,000 Council contribution*)
- \$500,000 Frankston Basketball Stadium Expansion for ongoing design stages – (*Total project budget of \$12.45 million*)
- \$440,000 McClelland Reserve Soccer Pavilion for the completion of the extension to the existing pavilion (*\$340,000 Council contribution*)

An amount of \$850,000 has been allocated to rationalise existing toilets along the Frankston foreshore through both demolishing redundant toilets and replacing existing toilets. The aim is to make all toilets more modern, energy efficient and less maintenance intensive. (*\$850,000 Council contribution*)

Funds allocated to Stormwater drainage amount to \$850,000. The various drainage projects have been selected to support Drainage Masterplans and Strategies with the aim of flood mitigation. (*\$850,000 Council contribution*)

There has been an allocation of \$1.020 million to Playgrounds and Playspace Initiatives. The more significant projects include:

- \$300,000 Ballam Park - construction of playspace area to link existing facilities (*\$300,000 Council contribution*)
- \$350,000 Baxter Park – Upgrade of the existing playground and amenities (*\$350,000 Council contribution*)
- \$250,000 Lawton Park – Construction of a new district playground (*\$250,000 Council contribution*)
- The remaining funds have been allocated for design work to Seaford Community Centre playspace, RF Miles Reserve and Carrum Downs Recreation Reserve.

Budget allocation to pathways including footpaths and shared pathways amount to \$1.28 million. These projects have been identified from a prioritised list in the recently published Frankston Paths Development Plan (Nov 2015). (*\$647,695 Council contribution not including Reserves and contributions.*)

Projects identified in the Open Space, Foreshore & Unstructured/ Passive Initiatives have been allocated a total budget of \$698,000. The main projects include:

- \$150,000 Seaford Foreshore North/ South foreshore path. Works will include track surface upgrade, fencing and vegetation management. (*\$150,000 Council contribution*).
- The remaining funds are allocated to foreshore paths and pedestrian trails at Lloyd Park, Keast Park, George Pentland Botanical Gardens, Frankston Park and Jubilee Park.

In keeping with Frankston’s recently won 2015 National Sustainable City Award the Council has allocated an amount of \$327,735 to install Solar panels to reduce energy costs and greenhouse emissions on 11 Council owned buildings.

An amount of \$437,000 has been allocated to the design of roads including Cranhaven Road in Langwarrin, Barrets Road in Langwarrin South, Stotts Lane in Frankston South and Newton Avenue and Weerona Road in Langwarrin South.

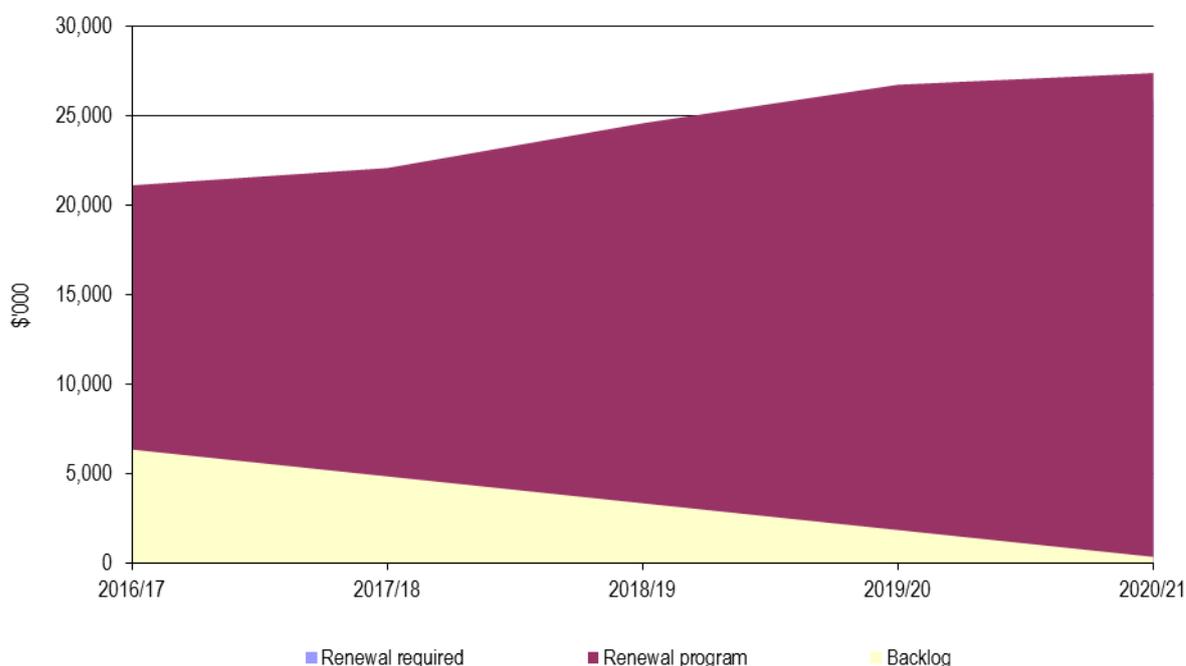
The Frankston Arts Centre has been allocated a budget of \$399,000 for the upgrade of existing kitchen and bar facilities and various technical upgrades to improve the functionality of the facility.

### Key driver – maintaining the asset renewal challenge

Sound asset management requires Council to understand long term as well as short term financial obligations. The table included below highlights the estimated annual renewal requirements based on data from condition audits and the projections in the current Road, Drains, Parks and Building Asset Management Plans.

Over the next five years, \$122 million has been allocated to the renewal program to replace infrastructure, plant and equipment, information and communication technology assets as they become unserviceable or fail.

The table below shows our renewal funding strategy over the asset classes for the next five years.



- The challenge to fund the appropriate replacement of existing assets (roads, drains, buildings etc.) is one that City of Frankston shares with many other municipalities.
- Council has replenished its asset renewal spend in 2016-2017 and onwards to maintain the level of resources required to renewing our assets and address the renewal backlog.

# 1. Linkage to Council Plan

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

## 1.1 Planning and accountability framework

The Strategic Resource Plan, included in the Council Plan, is a rolling five year plan that outlines the financial and non-financial resources that Council requires to achieve the long term community outcomes (strategic objectives), strategies and plans described in the Council Plan. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the services and initiatives, strategies and plans. The diagram below depicts the planning and accountability framework that applies to local government in Victoria



Figure 1: Local Government Planning and Accountability Framework. Source: Department of Transport, Planning and Local Infrastructure

In addition to the above, Council has a long term Community Plan, which articulates a community vision, mission and values. The Council Plan is prepared with reference to the Community Plan.

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

The diagram below depicts the Council Planning Framework.

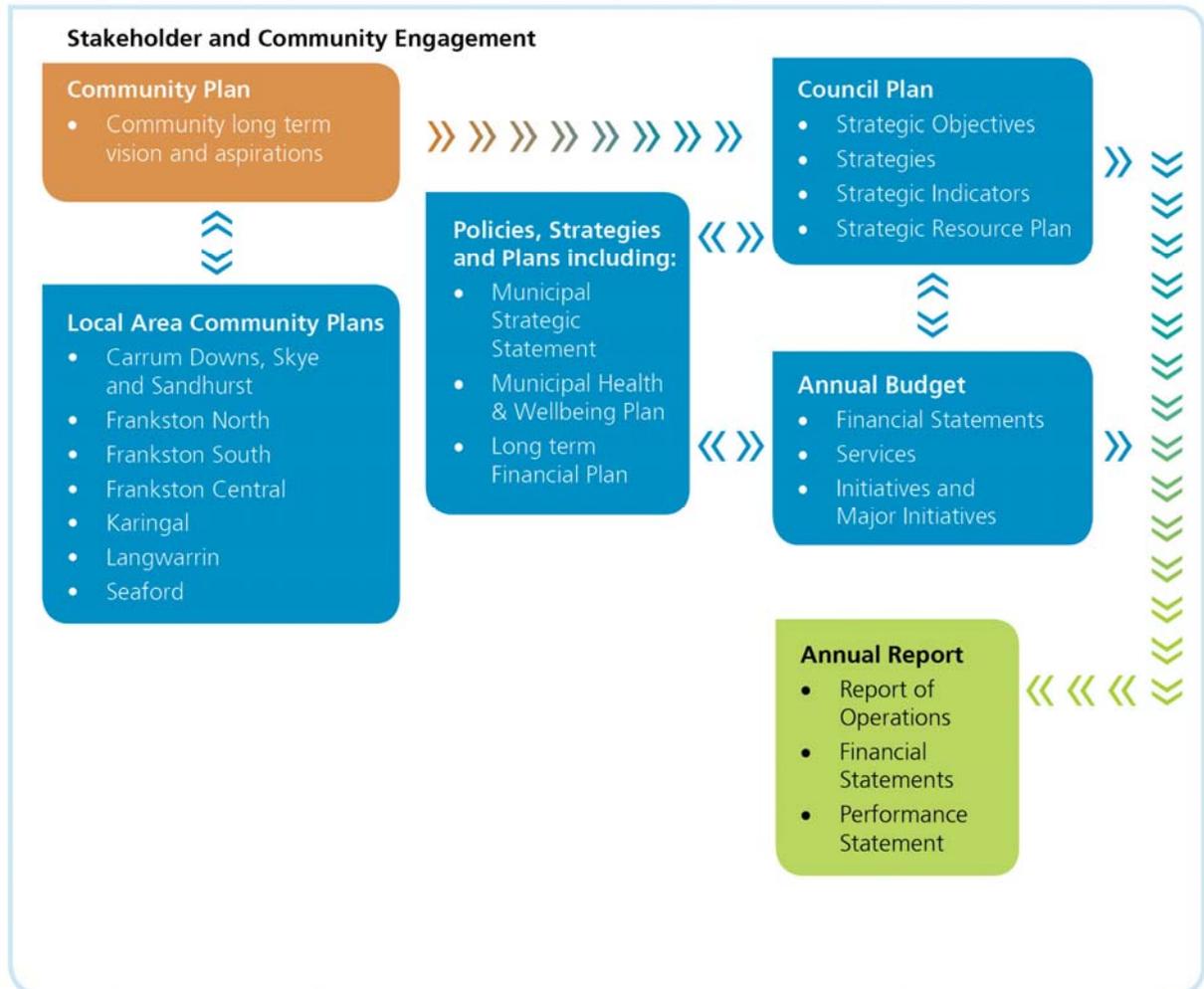


Figure 2: Council Planning Framework

## 1.2 Our purpose

### Our vision for the City

A sustainable regional capital on the bay – vibrant, inclusive and a natural lifestyle choice.

### Our mission

Lead and govern a connected community and deliver services and infrastructure which promotes the quality of life for our current and future generations.

### Our values

Frankston City Council practise the following organisational values to work towards achieving our vision:

**Community** - We work with our community, for the best interests of current and future generations

**Respect** - We are courteous and respectful to everyone at all times

**Excellence** - We accept the challenge & strive to be the best we can be

**Accountability** - We take responsibility for our performance, development and safety

**Teamwork** - We work together with others to achieve a shared outcome

**Integrity** - We deal honestly and ethically with others and keep our commitments

**Sustainability** - We consider the long term impacts when making decisions

### 1.3 Long term Community Outcomes

The Council Plan details the long term community outcomes (these are known as strategic objectives in the *Local Government Act 1989*) that will drive Council's role in partnership with our community to achieve the vision and aspirations outlined in the Community Plan. The Council Plan identifies three (3) long-term community outcomes under which Council's activity for the next four years will be delivered. The table below lists the three long term community outcomes described in the Council Plan.

Long term community outcome	Description
1. Planned city for future growth	<p>Frankston City is one of six designated Central Activities Areas in Metropolitan Melbourne, identified as a place that can perform a 'Capital City' role for the Mornington Peninsula and south-east bayside municipalities.</p> <p>Frankston City Council's plans for future growth will be to increase housing, jobs and services in designated areas, while protecting and enhancing our diverse range of natural assets, including wetlands, coastline and natural reserves. Council will review its Municipal Strategic Statement to provide a clear policy framework for a long term vision for growth and development that ensures the city becomes a sustainable, inclusive and vibrant municipality.</p>
2. A liveable city	<p>Liveable city is the term given to cities seen as ideal destinations due to the broad availability of goods and services, effective infrastructure and transport. Important considerations are safety; education; health care, a natural environment; arts and cultural recreation opportunities and political and economic stability.</p> <p>As a city, Frankston boasts many enviable attributes including its beaches, natural reserves, open spaces, cultural and community facilities and easy rail access to the Melbourne CBD. However, evidence indicates that the health and wellbeing challenges are greater in Frankston than many other parts of Victoria. To fulfil its potential the overall health and wellbeing picture, including access to more local employment and affordable housing, needs to be addressed in collaboration with other tiers of Government and the Not-for-profit sector.</p>
3. A sustainable city	<p>Sustainability refers to a city's ability to improve the quality of life for its residents while living within its environmental, social and economic resource limits - ensuring good governance, financial viability and a robust economy, managed infrastructure and balanced development that protects the natural environment.</p> <p>The ongoing challenge for Frankston is to meet community expectations while achieving balance between the level of development and the responsible use of resources for the benefit of current and future generations. Therefore the key to sustainably shaping Frankston's future is effective planning via community engagement that accurately gauges needs and expectations. Council's role is education about reducing resource usage and providing a viable economic and financial plan ensuring Frankston is a place where people choose to live, work, visit and invest.</p>

## 2. Services, initiatives and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2016-2017 year and how these will contribute to achieving the long term community outcomes specified in the Council Plan. It also includes a number of initiatives, major initiatives and service performance outcome indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan (N.B. The State Government's diagram below references *Strategic Objectives*. These are the same as Frankston City Council's Long Term Community Outcomes detailed in the Council Plan.) The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below. Services for which there are prescribed performance indicators to be reported on in accordance with the Regulations are listed in a table at the end of each long term community outcome.

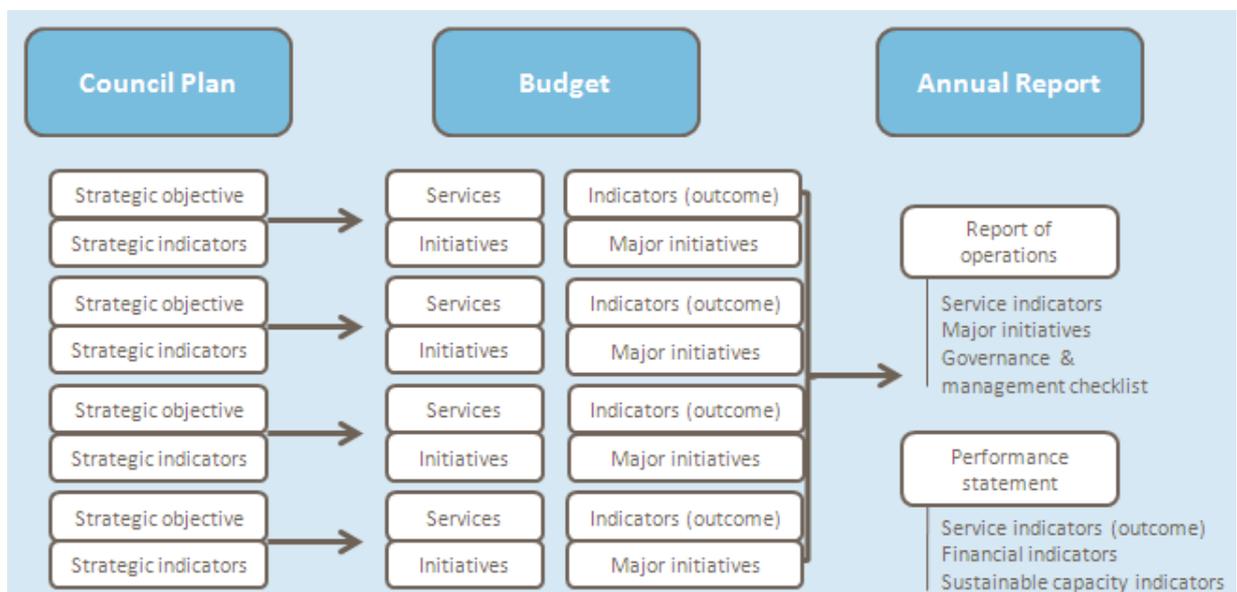


Figure 3: Relationship between the Budget, Council Plan and Annual Report. Source: Department of Transport, Planning and Local Infrastructure

## Long term community outcome 1: Planned city for future growth

This section describes the services, initiatives, major initiatives and service performance indicators for each business area that will play a key role in achieving this outcome.

### Services

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
Community Relations	Provides the first point of contact for our communities, including residents, visitors, businesses, investors, media and internal departments. Manages Frankston City's and the organisation's reputation, disseminates key messages to our communities and positions the municipality as the preferred place to live, learn, work, visit and invest.	Economic Development Strategy	1,669 <u>(120)</u> 1,549
		Infrastructure	739 <u>(0)</u> 739
		Car Parking Precinct Plan	
Planning and Environment	Researches and prepares land use, development and environmental strategies for the municipality. Undertakes timely assessment of development, land use, subdivision and tree removal proposals. Develops and implements integrated nature conservation and biodiversity protection strategies and action plans. Educates and enforces (in close cooperation with Council's Community Safety officers) to ensure that all land use and development within Frankston fully complies with approvals and relevant legislation.	Municipal Strategic Statement	3,126 <u>(723)</u> 2,403
		Frankston Metropolitan Activity Centre Structure Plan	
		Housing Strategy	
Public Space and Leisure	Supports the social, recreational, cultural and economic life of the community through innovative planning and development initiatives, delivering projects and managing quality public spaces. Facilitates increased participation in structured and unstructured sport, recreation and a	Open Space Strategy	117 <u>(1,652)</u> 1,536
		Coastal Management Plan	

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range of leisure activities to improve community health and wellbeing. Creates aesthetic and accessible spaces and linkages, delivers public realm and open space design elements and capital works for recreation facilities and public spaces.

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### **Major Initiative**

- 1) Implement year one activities in the Frankston City Economic development Strategy, including:
  - Activities to promote business and jobs growth
  - Continue investment attraction – aligned with transit interchange projects
  - Health sector investment attraction campaign
- 2) Work with State Government on Stage One of the Frankston Station Precinct Masterplan to deliver the recommended priorities: Provide input and support for
  - a) Completion of the Young Street upgrade
  - b) Design development of the Frankston Station Precinct
- 3) Endorse the car parking Precinct Plan and prepare a “Cash in Lieu” Parking Scheme

### **Initiatives**

- 4) Advocate for the delivery of digital infrastructure (including the National Broadband Network – NBN) to improve connectivity and competitiveness of key economic hubs including:
  - Carrum Downs Industrial Precinct
  - Seaford Industrial Precinct
  - Frankston City Centre
- 5) Advocate for the duplication of Thompsons Road
- 6) Advocate for a roundabout at Robinsons Road
- 7) Advocate for Electrification to Baxter Rail
- 8) Advocate for relocation of State and/or Federal Departments to Frankston City

## Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year <i>less</i> the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications ] x100

## Long term outcome 2: Liveable City

This section describes the services, initiatives, major initiatives and service performance indicators for each business area that will play a key role in achieving this outcome.

### Services

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
Community Relations	Provides the first point of contact for our communities, including residents, visitors, businesses, investors, media and internal departments. Manages Frankston City's and the organisation's reputation, disseminates key messages to our communities and positions the municipality as the preferred place to live, learn, work, visit and invest.	Economic Development Strategy  Frankston Destination Development Plan	1,669 <u>(120)</u> 1,549

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
Arts and Culture	Stimulates activity in the municipality through events, festivals, performing arts, public art, visual arts, libraries, library services and lifelong learning initiatives and community development programs. Provides facilities and services for events and functions.	Frankston Arts Strategy	7,832 <u>(3,485)</u> 4,347
Aquatic Centres	Provision of indoor and outdoor Aquatic Centres to improve health and wellbeing in the community.		11,359 <u>(10,897)</u> 462
Community Safety	Ensures the safety of the community by managing school crossing supervision, animal registration, parking services, building services, planning enforcement, crime prevention and foreshore patrols. Undertakes local law prosecutions, emergency management and illegal dumping responses.	Community Safety Strategy	8,027 <u>(6,979)</u> 1,048
Operations	Preserves local amenity and promotes a safe, clean and attractive city through maintaining civil infrastructure, shopping centre precincts, natural resources, foreshore infrastructure and recreation reserves. Provides services and strategies for emergency management and waste management.	Road Management Plan	8,641 <u>(11)</u> 8,630
Community Strengthening	Undertakes research and implements policies and programs to enhance community wellbeing, social inclusion, participation, empowerment and resilience. Community planning and engagement of local areas. Develops and implements the Municipal Health and Wellbeing Plan. Manages grants to support charities and community groups.	Health and Wellbeing Plan  Community Plan  Local Community Plans	4,526 <u>(617)</u> 3,909
Sustainable Assets	Delivers, maintains and manages municipal assets and services for current and future generations, by planning sustainable assets that perform to desired service outcomes, implementing best practice asset management, managing Council's Capital Works Program, managing Council fleet, supporting the efficient and sustainable use of natural resources and assisting Council and the community to prepare for a changing climate.	Asset Management Strategy	504 <u>(0)</u> 504

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
Commercial Services	Manages Council's property portfolio and provides business support and regulatory, contractual and policy compliance monitoring of business-related transactions and risk in all service areas. Ensures the organisation makes informed, transparent, ethical and justified decisions through the procurement of goods and services, Best Value, contract management, risk management, leases and licences, property acquisition and responsible divestment.	Lease and Licence agreements	1,202 <u>(807)</u> 395
Family Health Support	Supports and enhances the health and wellbeing of families, children and young people through maternal and child health and immunisation services, kindergarten infrastructure and central registration scheme for 3 and 4 year old kindergarten, childcare, youth services and advocacy. Supports other local providers of children's, family and youth services.	Municipal Early Years Plan  Strategic framework for young people in Frankston City	14,576 <u>(8,865)</u> 5,711
	Provides home and community based services and support to maintain dignity and independence of older people, people with disability and their carers, including supporting positive ageing, volunteering opportunities, meals on wheels, personal and home care, senior citizens, U3A, respite care and activity groups.		

### Major Initiative

- 9) Increase investment and activation of the Frankston City Centre through investment, attraction and business support programs.
- 10) Support the establishment of a health centre of excellence to demonstrate evidence for an integrated health hub.
- 11) Continue to develop service levels for Asset Management including:
  - Footpaths
  - Shared Paths

## Initiatives

- 12) Facilitate activation projects in alignment with Frankston transit interchange in the station precinct and city centre.
- 13) Adopt the streetscape strategy and schematic designs for the Central Activities Area (CAA) including schematic designs for Keys Street and laneways in the Central Activities Area (CAA).
- 14) Enhance applications for planning and building permits by engaging with property owners, developers and real estate agents in the Central Activities Area (CAA).
- 15) Implement year two activities of the Frankston Destination Development Plan, including:
  - Implement formal Tourism Event Attraction program
  - Industry development programs
  - Assist with the conversion of Sand Sculpting Australia to a year round attraction
- 16) Adopt service standards for cleanliness and presentation of the city and local areas.
- 17) Support the municipality's community centres to explore additional income streams.
- 18) Review all lease and licensing agreements to optimise use of Council's facilities.
- 19) Review the Community Plan to engage the community to help shape desired service standards.

## Service Performance Outcome Indicators

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

Maternal and Child Health	Participation	Participation in MCH service (Percentage of children enrolled who participate in the MCH service )	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service ] x100
		Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance outcome notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

### Long term outcome 3: Sustainable City

This section describes the services, initiatives, major initiatives and service performance indicators for each business area that will play a key role in achieving this outcome.

#### Services

Business area	Description of services provided	Strategy or plan	Expenditure
			(Revenue) Net Cost \$'000
Facilities	Delivers, maintains and retires facility buildings in Frankston City. Constructs new or develops old building facilities in the municipality to provide, accommodate and/or house a range of community groups. Provides cleaning, security and maintenance to about 300 Frankston City Council buildings including the Civic Centre, Library, Art Centre, public toilets, sporting pavilions, pre-schools and other community buildings.	Capital Works Program - Yacht Club Development Project	4,450 <u>(33)</u> 4,417
Operations	Preserves local amenity and promotes a safe, clean and attractive city through maintaining civil infrastructure, shopping centre precincts, natural resources, foreshore infrastructure and recreation reserves, while also providing services and strategies for emergency and waste management.	Waste Minimisation Strategy	26,932 <u>(3,666)</u> 23,266
Sustainable Assets	Delivers, maintains and manages municipal assets and services for current and future generations, by planning sustainable assets that perform to desired service outcomes, implementing best practice asset management, managing Council's Capital Works Program, managing Council fleet, supporting the efficient and sustainable use of natural resources and assisting Council and the community to prepare for a changing climate.	Asset Management Strategy  Asset Management Plans  Capital Works Program  Integrated Water Management Plan	1,357 <u>(0)</u> 1,357
Planning and Environment	Researches and prepares land use, development and environmental strategies for the municipality.	Biodiversity Action Plan	273 <u>(0)</u> 273

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
	Undertakes timely assessment of development, land use, subdivision and tree removal proposals. Develops and implements integrated nature conservation and biodiversity protection strategies and action plans. Educates and enforces (in close cooperation with Council's Community Safety officers) to ensure that all land use and development within Frankston fully complies with approvals and relevant legislation.	Frankston Planning Scheme	
Financial Services	Ensures organisational financial sustainability through financial management, accounting services, rates and valuations.	Long Term Financial Plan	4,034 <u>(984)</u> 3,050
Information Technology Services	Delivers and maintains technology, information systems and management to support Council in delivering services to the community.	Information Technology Strategy	3,731 <u>(0)</u> 3,731
Human Resources	Ensure the organisation has the required leadership, people, skills and capabilities and culture and environment available at the right time, in order to achieve and implement Council's priorities, deliver quality services and facilities to our community and meet all relevant statutory obligations and requirements.		1,750 <u>(0)</u> 1,750
Administration and Corporate Projects	Provides administrative support in areas of Governance including policies, procedures, elections, Local Laws, statutory processes, compliance, delegations, FOI, Privacy, Records and Cemetery management, in addition to working on a number of key organisation projects.		1,510 <u>(77)</u> 1,433
Community Relations	Provides the first point of contact for our communities, including residents, visitors, businesses, investors, media and internal departments. Manages Frankston City's and the organisation's reputation, disseminates key messages to our communities and positions the municipality as the preferred place to live, learn, work, visit and invest.		896 <u>(0)</u> 896

Business area	Description of services provided	Strategy or plan	Expenditure
			(Revenue) Net Cost \$'000

### Major Initiatives

- 20) The five key projects have been completed.
  - a) Continue to advocate for funding through State Government for recreational infrastructure and Carrum Downs Recreational Reserve and
  - b) Continue with the redevelopment of the Frankston Basketball Stadium
- 21) Manage the financial impact of rate capping on Council Services and infrastructure delivery
- 22) Implement Council's Learning and Development Framework and Leadership Development Program

### Initiatives

- 23) Adopt the Open Space Asset Management Plan to guide the management of open space assets.
- 24) Adopt the Community Infrastructure Plan to guide future asset development.
- 25) Commence the Bulk Tree replacement program to create boulevards and improve street amenities.
- 26) Facilitate the implementation and reporting of Year 2 actions in the Waste Minimisation and management Plan including:
  - Working with the Victorian Government to establish a household food waste collection service
  - Use a wide range of channels to deliver community waste minimisation and recycling messages.
- 27) Develop a framework for service planning to ensure an efficient and effective customer service focus.

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on	Community satisfaction rating out of 100 with how

Service	Indicator	Performance Measure	Computation
		the condition of sealed local roads)	Council has performed on the condition of sealed local roads.
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with the performance of Council in making decisions in the interests of the community

## 2.4 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2016-2017 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

## 2.5 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Planned city for future growth	8,084	9,284	1,200
Liveable city	26,555	58,335	31,780
Sustainable city	40,171	44,931	4,760
<b>Total services and initiatives</b>	<b>74,810</b>	<b>112,550</b>	<b>37,740</b>
<b>Non attributable expenditure</b>			
Depreciation	27,745		
Finance costs	2,008		
Other non attributable expenditure	4,594		
<b>Deficit before funding sources</b>	<b>109,157</b>		
<b>Funding sources</b>			
Rates and charges	112,897		
Victoria Grants Commission	8,537		
Other income including investment income	2,955		
Proceeds from sale of assets	1,311		
Contributions - non monetary assets	800		
Capital funding	5,069		
<b>Total funding sources</b>	<b>131,569</b>		
<b>Surplus for the year</b>	<b>22,412</b>		

\* Other non attributable includes bad and doubtful debts, bank charges, debt collection, insurance, workcover, grants, annual leave and long service leave provisions.

### 3. Financial statements

#### Budgeted Consolidated Comprehensive Income Statement For the five years ended 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>						
Rates and charges	107,872	112,897	115,465	118,701	121,315	123,991
Statutory fees and fines	5,055	5,355	5,409	5,463	5,517	5,572
User fees	18,889	21,491	22,445	23,767	24,450	25,895
Grants - operating	14,006	17,638	17,814	17,993	18,172	18,354
Grants - capital	3,181	3,765	515	515		
Contributions - monetary	1,725	1,304	804	850	860	865
Contributions - non-monetary	800	800	800	800	800	800
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	1,413	1,311	1,076	1,195	1,302	1,240
Other income	3,110	2,955	3,001	3,048	3,097	3,147
<b>Total income</b>	<b>156,051</b>	<b>167,516</b>	<b>167,329</b>	<b>172,332</b>	<b>175,513</b>	<b>179,864</b>
<b>Expenses</b>						
Employee costs	63,836	65,251	66,754	68,410	70,108	71,848
Materials and services	43,564	45,688	46,955	48,666	50,446	52,678
Bad and doubtful debts	1,147	866	988	1,026	1,066	1,066
Depreciation and amortisation	26,233	27,745	29,583	31,416	33,341	35,304
Borrowing costs	1,992	2,008	1,962	1,917	1,872	1,376
Other expenses	3,619	3,546	3,673	3,848	3,986	4,130
<b>Total expenses</b>	<b>140,391</b>	<b>145,104</b>	<b>149,915</b>	<b>155,283</b>	<b>160,819</b>	<b>166,402</b>
<b>Surplus/(deficit) for the year</b>	<b>15,660</b>	<b>22,412</b>	<b>17,414</b>	<b>17,049</b>	<b>14,694</b>	<b>13,462</b>
<b>Other comprehensive income</b>						
Net asset revaluation increment /(decrement)	13,179					
<b>Total comprehensive result</b>	<b>28,839</b>	<b>22,412</b>	<b>17,414</b>	<b>17,049</b>	<b>14,694</b>	<b>13,462</b>

Note: The amount indicated for rates and charges includes an estimate of income from supplementary rates (i.e. properties newly subdivided or improved upon during the year) and therefore doesn't balance to the amounts indicated in Section 7 and the Declaration of Rates and Charges in Section 15.

#### Conversion to cash result

Conversion to cash result	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Surplus/(deficit) for the year</b>	<b>15,660</b>	<b>22,412</b>	<b>17,414</b>	<b>17,049</b>	<b>14,694</b>	<b>13,462</b>
<b>Add back non-cash items:</b>						
Depreciation and amortisation	26,233	27,745	29,583	31,416	33,341	35,304
Contributions - non-monetary	(800)	(800)	(800)	(800)	(800)	(800)
Write down value of assets disposed	877					
	<b>26,310</b>	<b>26,945</b>	<b>28,783</b>	<b>30,616</b>	<b>32,541</b>	<b>34,504</b>
<b>Less non-operating cash items:</b>						
Capital works expenditure	57,539	38,382	36,965	33,963	37,524	37,947
Transfers to/(from) reserves	9,427	9,638	8,460	12,884	8,851	(713)
Proceeds from borrowing	(9,818)					
Repayment of borrowings	3,088	1,336	773	818	860	10,732
	<b>60,236</b>	<b>49,356</b>	<b>46,198</b>	<b>47,665</b>	<b>47,235</b>	<b>47,966</b>
Cash surplus/(deficit) for the year	(18,266)					
Accumulated cash surplus/(deficit) b/fwd	18,767	500	500	500	500	500
<b>Accumulated cash surplus/(deficit) c/fwd</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>

Budgeted Consolidated Balance Sheet  
For the five years ended 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	37,357	46,870	55,182	67,966	76,701	75,850
Trade and other receivables	13,668	14,283	14,926	15,598	16,300	17,033
Other financial assets	6,001	6,271	6,553	6,848	7,156	7,478
Inventories	235	246	257	268	281	293
Non current assets held for resale						
Other assets	1,255	1,311	1,370	1,432	1,496	1,563
<b>Total current assets</b>	<b>58,516</b>	<b>68,981</b>	<b>78,288</b>	<b>92,112</b>	<b>101,934</b>	<b>102,217</b>
<b>Non-current assets</b>						
Trade and other receivables	1,195	1,249	1,305	1,364	1,425	1,489
Property, infrastructure, plant and equipment	1,273,621	1,285,070	1,293,252	1,296,599	1,301,582	1,305,025
Intangible assets	12					
<b>Total non-current assets</b>	<b>1,274,828</b>	<b>1,286,319</b>	<b>1,294,557</b>	<b>1,297,963</b>	<b>1,303,007</b>	<b>1,306,514</b>
<b>Total assets</b>	<b>1,333,344</b>	<b>1,355,300</b>	<b>1,372,845</b>	<b>1,390,075</b>	<b>1,404,941</b>	<b>1,408,731</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Trade and other payables	15,732	16,126	16,529	16,941	17,365	17,799
Provisions	17,061	17,521	17,995	18,546	19,115	19,703
Interest-bearing loans and borrowings	1,336	773	818	860	914	968
<b>Total current liabilities</b>	<b>34,129</b>	<b>34,420</b>	<b>35,342</b>	<b>36,347</b>	<b>37,394</b>	<b>38,470</b>
<b>Non-current liabilities</b>						
Provisions	1,441	1,468	1,496	1,531	1,568	1,606
Interest-bearing loans and borrowings	35,864	35,091	34,272	33,413	32,499	21,714
<b>Total non-current liabilities</b>	<b>37,305</b>	<b>36,559</b>	<b>35,768</b>	<b>34,944</b>	<b>34,067</b>	<b>23,320</b>
<b>Total liabilities</b>	<b>71,434</b>	<b>70,979</b>	<b>71,110</b>	<b>71,291</b>	<b>71,461</b>	<b>61,790</b>
<b>Net assets</b>	<b>1,261,909</b>	<b>1,284,320</b>	<b>1,301,735</b>	<b>1,318,784</b>	<b>1,333,478</b>	<b>1,346,940</b>
<b>Equity</b>						
Accumulated surplus	609,518	622,291	631,246	635,411	641,254	655,429
Reserves	652,391	662,029	670,489	683,373	692,224	691,511
<b>Total equity</b>	<b>1,261,909</b>	<b>1,284,320</b>	<b>1,301,735</b>	<b>1,318,784</b>	<b>1,333,478</b>	<b>1,346,940</b>

Budgeted Consolidated Statement of Changes in Equity  
For the five years ended 30 June 2021

	Total \$'000	Accumulated Revaluation Surplus \$'000	Reserve \$'000	Other Reserves \$'000
<b>2017</b>				
Balance at beginning of the financial year	1,261,909	609,518	627,415	24,976
Comprehensive result	22,412	22,412		
Transfer to reserves		(10,933)		10,933
Transfer from reserves		1,295		(1,295)
<b>Balance at end of the financial year</b>	<b>1,284,321</b>	<b>622,292</b>	<b>627,415</b>	<b>34,614</b>
<b>2018</b>				
Balance at beginning of the financial year	1,284,320	622,291	627,415	34,614
Comprehensive result	17,415	17,415		
Transfer to reserves		(10,933)		10,933
Transfer from reserves		1,295		(1,295)
<b>Balance at end of the financial year</b>	<b>1,301,735</b>	<b>630,068</b>	<b>627,415</b>	<b>44,252</b>
<b>2019</b>				
Balance at beginning of the financial year	1,301,735	631,246	627,415	43,074
Comprehensive result	17,049	17,049		
Transfer to reserves		(8,599)		8,599
Transfer from reserves		139		(139)
<b>Balance at end of the financial year</b>	<b>1,318,784</b>	<b>639,835</b>	<b>627,415</b>	<b>51,534</b>
<b>2020</b>				
Balance at beginning of the financial year	1,318,784	635,411	627,415	55,958
Comprehensive result	14,694	14,694		
Transfer to reserves		(12,896)		12,896
Transfer from reserves		12		(12)
<b>Balance at end of the financial year</b>	<b>1,333,478</b>	<b>637,221</b>	<b>627,415</b>	<b>68,842</b>
<b>2021</b>				
Balance at beginning of the financial year	1,333,478	641,254	627,415	64,809
Comprehensive result	13,462	13,462		
Transfer to reserves		(8,851)		8,851
Transfer from reserves				
<b>Balance at end of the financial year</b>	<b>1,346,940</b>	<b>645,865</b>	<b>627,415</b>	<b>73,660</b>

Budgeted Consolidated Statement of Cash Flows  
For the five years ended 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
<b>Cash flows from operating activities</b>						
<i>Receipts</i>						
Rates and charges	107,872	112,897	115,465	118,701	121,315	123,991
Statutory fees and fines	5,055	5,355	5,409	5,463	5,517	5,572
User fees	18,889	21,491	22,445	23,767	24,450	25,895
Grants - operating	14,006	17,638	17,814	17,993	18,172	18,354
Grants - capital	3,181	3,765	515	515		
Contributions - monetary	1,725	1,304	804	850	860	865
Other receipts	1,235	2,829	2,855	2,948	2,980	3,009
<i>Payments</i>						
Employee costs	(63,836)	(65,251)	(66,754)	(68,410)	(70,108)	(71,848)
Materials and services	(43,922)	(46,804)	(48,193)	(49,942)	(51,762)	(53,994)
Other payments	(4,408)	(3,296)	(3,423)	(3,598)	(3,736)	(3,880)
<b>Net cash provided by operating activities</b>	<b>39,797</b>	<b>49,928</b>	<b>46,937</b>	<b>48,287</b>	<b>47,688</b>	<b>47,964</b>
<b>Cash flows from investing activities</b>						
Payments for property, infrastructure, plant and equipment	(57,539)	(38,382)	(36,965)	(33,963)	(37,524)	(37,947)
Proceeds from sale of property, infrastructure, plant and equipment	2,290	1,311	1,076	1,195	1,302	1,240
<b>Net cash used in investing activities</b>	<b>(55,249)</b>	<b>(37,071)</b>	<b>(35,889)</b>	<b>(32,768)</b>	<b>(36,222)</b>	<b>(36,707)</b>
<b>Cash flows from financing activities</b>						
Finance costs	(1,992)	(2,008)	(1,962)	(1,917)	(1,872)	(1,376)
Proceeds from borrowings	9,818					
Repayment of borrowings	(3,088)	(1,336)	(773)	(818)	(860)	(10,732)
<b>Net cash used in financing activities</b>	<b>4,738</b>	<b>(3,344)</b>	<b>(2,735)</b>	<b>(2,735)</b>	<b>(2,732)</b>	<b>(12,108)</b>
Net increase (decrease) in cash and cash equivalents	(10,714)	9,513	8,313	12,784	8,734	(851)
Cash and cash equivalents at the beginning of the period	48,071	37,357	46,869	55,182	67,967	76,701
<b>Cash and cash equivalents at end of the year</b>	<b>37,357</b>	<b>46,870</b>	<b>55,182</b>	<b>67,966</b>	<b>76,701</b>	<b>75,850</b>

Budgeted Consolidated Statement of Capital Works  
For the five year ended 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
<b>Property</b>						
Land	7,354					
Land improvements						
Buildings	16,722	10,190	8,031	4,224	6,961	6,582
Building improvements	1,281	572	586	601	616	631
<b>Total property</b>	<b>25,357</b>	<b>10,762</b>	<b>8,617</b>	<b>4,825</b>	<b>7,577</b>	<b>7,213</b>
<b>Plant and equipment</b>						
Plant, machinery and equipment	2,410	2,858	2,929	3,003	3,078	3,155
Computers and telecommunications	2,701	2,358	2,417	2,478	2,540	2,603
Library books	700	700	718	735	754	773
<b>Total plant and equipment</b>	<b>6,849</b>	<b>6,460</b>	<b>6,622</b>	<b>6,787</b>	<b>6,957</b>	<b>7,131</b>
<b>Infrastructure</b>						
Roads	4,689	3,303	3,386	3,471	3,557	3,646
Bridges	1,555	905	928	951	975	999
Footpaths and cycleways	2,026	4,271	4,378	4,487	4,600	4,715
Drainage	1,036	1,490	1,527	1,565	1,605	1,645
Recreational, leisure and community facilities	4,201	40	41	42	43	44
Waste management	150	150	154	158	162	166
Parks, open space and streetscapes	11,000	10,270	10,527	10,834	11,148	11,426
Off street car parks	1,946	1,575	1,614	1,655	1,696	1,739
Other infrastructure	237	655	671	688	705	723
<b>Total infrastructure</b>	<b>26,840</b>	<b>22,660</b>	<b>23,226</b>	<b>23,851</b>	<b>24,490</b>	<b>25,102</b>
<b>Total capital works expenditure</b>	<b>59,046</b>	<b>39,882</b>	<b>38,465</b>	<b>35,463</b>	<b>39,024</b>	<b>39,447</b>
<b>Represented by:</b>						
Asset renewal expenditure	23,545	24,002	22,196	19,346	24,101	24,563
New & Upgrade asset expenditure - Rates funde	21,823	7,252	14,164	14,166	13,512	13,567
Upgrade	10,479	8,128				
Asset compliance expenditure	3,199	500	2,105	1,951	1,411	1,317
<b>Total capital works expenditure</b>	<b>59,046</b>	<b>39,882</b>	<b>38,465</b>	<b>35,463</b>	<b>39,024</b>	<b>39,447</b>

Note: The 2016-2017 Budget does not include carry forward amounts from 2015-2016.

Budgeted Consolidated Statement of Human Resources  
For the five year ended 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
<b>Staff expenditure</b>						
Employee Costs - operating	62,326	63,684	65,187	66,843	68,541	70,281
Employee Costs - capital	1,510	1,567	1,567	1,567	1,567	1,567
<b>Total staff expenditure</b>	<b>63,836</b>	<b>65,251</b>	<b>66,754</b>	<b>68,410</b>	<b>70,108</b>	<b>71,848</b>
	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
<b>Staff numbers</b>						
Employees	774	774	774	774	774	774
<b>Total staff numbers</b>	<b>774</b>	<b>774</b>	<b>774</b>	<b>774</b>	<b>774</b>	<b>774</b>

Department	Budget 2016/17 \$'000	Comprises	
		Permanent Full time \$'000	Permanent Part time \$'000
Chief Executive Officer	826	707	119
Human Resources	1,356	1,248	108
Corporate Management	573	480	93
Information Technology	1,882	1,566	316
Finance	2,127	1,914	213
Administration & Corporate Projects	1,099	943	156
Commercial Services	990	990	-
Assets Management	389	389	-
Communities Management	386	386	-
Community Strengthening	3,022	1,971	1,051
Family Health Support Services	12,500	2,956	9,544
Arts & Culture	4,926	2,787	2,139
Compliance & Safety	5,416	4,104	1,312
Community Relations	3,108	1,563	1,545
Operations	11,162	10,810	352
Planning	2,640	2,364	276
Infrastructure	2,376	2,331	45
Facilities	1,135	1,135	-
Public Space & Leisure	1,416	1,145	271
Sustainable Assets	1,960	1,960	-
Peninsula Aquatic Recreation Centre	2,526	2,219	307
Pines Forest Aquatic Centre	39	39	-
<b>Total permanent staff expenditure</b>	<b>61,855</b>	<b>44,007</b>	<b>17,847</b>
Casual and other expenditure	4,970		
Capitalised labour costs	(1,567)		
<b>Total expenditure</b>	<b>65,251</b>		

Department	Comprises		
	Budget	Permanent	Permanent
	2016/17 FTE	Full time FTE	Part time FTE
Chief Executive Officer	5.5	4.0	1.5
Human Resources	13.1	12.0	1.1
Corporate Management	3.8	3.0	0.8
Information Technology	18.1	15.0	3.1
Financial Services	22.5	20.0	2.5
Administration & Corporate Projects	11.9	10.0	1.9
Commercial Services	9.0	9.0	-
Assets Management	2.0	2.0	-
Communities Management	2.0	2.0	-
Community Strengthening	32.2	20.0	12.2
Family Health Support Services	145.2	29.4	115.8
Arts & Culture	55.4	28.4	27.0
Compliance & Safety	63.8	44.1	19.7
Community Relations	34.1	15.1	19.0
Operations	146.6	141.7	4.9
Planning & Environment	26.1	23.0	3.1
Infrastructure	21.6	21.0	0.6
Facilities	10.0	10.0	-
Public Space & Leisure	13.4	10.7	2.7
Sustainable Assets	19.0	19.0	-
Peninsula Aquatic Recreation Centre	33.3	29.0	4.3
Pines Forest Aquatic Centre	0.6	0.6	-
<b>Total permanent staff</b>	<b>689.0</b>	<b>469.0</b>	<b>220.1</b>
Casual and other	84.8		
<b>Total staff</b>	<b>773.8</b>		

## 4. Financial performance indicators

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

Indicator	Notes	Measure	Actual	Forecast	Budget	Strategic Resource Plan Projections				Trend
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	↑→↓
<b>Operating position</b>										
Adjusted underlying result	1	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	3.4%	9.5%	13.0%	10.0%	9.5%	8.0%	7.1%	→
<b>Liquidity</b>										
Working capital	2	Current assets / current liabilities	164%	171%	200%	222%	253%	273%	266%	→
Unrestricted cash		Unrestricted cash/ current liabilities	55%	39%	38%	37%	34%	33%	32%	→
<b>Obligations</b>										
Loans and borrowings	3	Interest bearing loans and borrowings / rate revenue	30.0%	34.5%	31.8%	30.4%	28.9%	27.5%	18.3%	↓
Loans and borrowings		Interest and principal repayments on interest bearing loans and borrowings / rate revenue	4.4%	4.7%	3.0%	2.4%	2.3%	2.3%	9.8%	↓
Indebtedness		Non-current liabilities / own source revenue	19%	27%	25%	24%	23%	22%	15%	↓
Asset renewal	4	Asset renewal expenses / depreciation	70.0%	89.8%	86.5%	75.0%	61.6%	72.3%	69.6%	→
<b>Stability</b>										
Rates concentration	5	Rate revenue / adjusted underlying revenue	68%	69%	68%	69%	69%	69%	69%	↑
Rates effort		Rate revenue / CIV of rateable properties in the municipality	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	↑

Indicator	Notes Measure	Actual	Forecast	Budget	Strategic Resource Plan Projections				Trend
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	↑→↓
<b>Efficiency</b>									
Expenditure level	Total expenses / no. of property assessments	2,377	2,297	2,344	2,391	2,445	2,499	2,553	↓
Revenue level	Residential rate revenue / No. of residential property assessments	1,099	1,101	1,178	1,192	1,206	1,220	1,235	↑
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year	13%	10.5%	11.9%	11.9%	11.9%	11.9%	11.9%	→

#### Notes to indicators

- Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on Council's cash reserves or increased debt to maintain services.
- Working capital** – The proportion of current liabilities represented by current assets. Working capital is forecast to decrease significantly in 2016-2017 year due to a run down in cash reserves to fund the capital program. The trend in later years is to remain steady at an acceptable level.
- Debt compared to rates** – Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.
- Asset renewal** – This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.
- Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

## 5. Other budget information (required by Regulations)

### 5.1.1 Grants - Operating (\$3.63 million increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Included in this amount is grants received from the Victorian Grants Commission. This is a general purpose grant that is not tied to specific programs, and includes a component for roads maintenance. The adopted 2016-2017 Annual Budget amount is based on the grant funding advised by the Grants Commission. Operating grants included in the adopted 2016-2017 Annual Budget are projected to increase by \$3.63 million compared to 2015-2016 forecast mainly due to the first 2015-2016 grant commission payment received in advance in a prior financial year.

A summary of the operational grants to be received by Frankston City Council is provided below.

	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Victorian Grants Commission	4,162	8,537	4,375
Family Health Support	1,224	1,199	(25)
Community Strengthening	40	0	(40)
<i>Recurrent - State Government</i>			
Family Health Support	6,787	6,250	(537)
Arts & Culture	838	819	(19)
Community Strengthening	231	263	32
Community Safety	350	244	(106)
Operations	48	50	2
<b>Total recurrent grants</b>	<b>13,679</b>	<b>17,362</b>	<b>3,683</b>
<i>Non-recurrent - Commonwealth Government</i>			
Family Health Support	30	61	31
Operations	49	0	(49)
<i>Non-recurrent - State Government</i>			
Family Health Support	18	0	(18)
Community Strengthening	78	81	3
Planning & Environment	17	5	(12)
Infrastructure	14	0	(14)
Other Grants	121	129	9
<b>Total non-recurrent grants</b>	<b>327</b>	<b>276</b>	<b>(50)</b>
<b>Total operating grants</b>	<b>14,006</b>	<b>17,638</b>	<b>3,632</b>

### 5.1.2 Grants - capital (\$0.58 million increase)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has increased marginally compared to 2015-2016. Section 6 "Analysis of Capital Budget" includes a more detailed analysis of the grants expected to be received during the 2016-2017 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below.

	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Roads to Recovery	1,150	1,450	300
<b>Total recurrent grants</b>	<b>1,150</b>	<b>1,450</b>	<b>300</b>
<i>Non-recurrent - Commonwealth Government</i>			
Buildings	1,010	0	(1,010)
Recreational, leisure and community facilities	118	0	(118)
<i>Non-recurrent - State Government</i>			
Buildings	424	0	(424)
Recreational, leisure and community facilities	413	2,315	1,902
Roads	66	0	(66)
<b>Total non-recurrent grants</b>	<b>2,031</b>	<b>2,315</b>	<b>284</b>
<b>Total operating grants</b>	<b>3,181</b>	<b>3,765</b>	<b>584</b>

### 5.1.3 Statement of borrowings

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

Borrowings	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
New borrowings	9,818					
Principal paid	3,088	1,336	773	818	860	10,732
Interest paid	1,992	2,008	1,962	1,917	1,872	1,376
Balance 30 June	37,200	35,863	35,089	34,272	33,412	22,681

## 6. Detailed list of capital works

### 1. New works

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New	Renewal	Upgrade	Expansion	Grants	Contributions	Council cash	Borrow's
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>PROPERTY</b>									
<b>Land</b>	-	-	-	-	-	-	-	-	-
<b>Buildings</b>									
Public toilet action plan	1,105	850	255	-	-	-	-	1,105	-
Structured recreation	4,635	1,990	795	1,350	500	2,300	200	2,135	-
Community facilities	930	-	820	110	-	-	-	930	-
Civic facilities	540	-	540	-	-	-	-	540	-
Arts and library facilities	2,980	-	2,742	238	-	-	-	2,980	-
	<b>10,190</b>	<b>2,840</b>	<b>5,152</b>	<b>1,698</b>	<b>500</b>	<b>2,300</b>	<b>200</b>	<b>7,690</b>	<b>-</b>
<b>Building improvements</b>									
Recreation clubs	40	40	-	-	-	-	-	40	-
Community centres	139	49	-	90	-	-	-	139	-
Municipal offices: Civic centre, Operations centre	393	226	-	167	-	-	-	393	-
Library and Arts centre	393	226	-	167	-	-	-	393	-
<b>Total Building Improvements</b>	<b>572</b>	<b>315</b>	<b>-</b>	<b>257</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>572</b>	<b>-</b>
<b>TOTAL PROPERTY</b>	<b>10,762</b>	<b>3,155</b>	<b>5,152</b>	<b>1,955</b>	<b>500</b>	<b>2,300</b>	<b>200</b>	<b>8,262</b>	<b>-</b>

## Capital works program

For the year ending 30 June 2017

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrow's \$'000
<b>PLANT AND EQUIPMENT</b>									
<b>Plant, Machinery and Equipment</b>									
Motor vehicles and plant	2,858	-	2,858	-	-	-	-	2,858	-
<b>Total Plant, Machinery and Equipment</b>	<b>2,858</b>	-	2,858	-	-	-	-	2,858	-
<b>Fixtures, Fittings and Furniture</b>	<b>544</b>	98	160	286	-	-	-	544	-
<b>Computers and Telecommunications</b>	<b>2,358</b>	903	809	646		15	-	2,343	-
<b>Library Books</b>	<b>700</b>	-	700	-	-	-	-	700	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>6,460</b>	1,001	4,527	932	-	15	-	<b>6,445</b>	-

## Capital works program

For the year ending 30 June 2017

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New	Renewal	Upgrade	Expansion	Grants	Contributions	Council cash	Borrow's
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INFRASTRUCTURE</b>									
<b>Roads</b>									
Foot Street Reconstruction - Stage 2	370	-	370	-	-	370	-	-	-
Warrandyte Road Widening & Reconstruction (North) - Robinsons Road to 400 Warran	460	-	460	-	-	460	-	-	-
Traffic Management Devices - Renewal Programme	200	-	200	-	-	200	-	-	-
Cranhaven Road, Langwarrin (Warrandyte Road to Lapwing Court).	30	-	-	30	-	-	-	30	-
Barretts Road (Robinsons Road to Golf Links Road)	70	-	-	70	-	-	-	70	-
Stotts Lane, Frankston South (from Gold Links Rd to Baxter Tooradin Road)	55	-	-	55	-	-	-	55	-
Newton Avenue & Weeroona Road, Langwarrin South	250	-	-	250	-	-	-	250	-
Access from Baxter Ave to Beauty Park	32	-	-	32	-	-	-	32	-
High Risk LATM Works Program	75	-	-	75	-	-	-	75	-
Woodlands (Langwarrin)	150	-	-	150	-	-	-	150	-
Franciscan Avenue	48	-	-	48	-	-	-	48	-
Richard Drive	28	-	-	28	-	-	-	28	-
Allied Drive	61	-	-	61	-	-	-	61	-
Carmela Way	21	-	-	21	-	-	-	21	-
Road Renewal	1,303	-	1,303	-	-	420	-	883	-
Kerb Renewal	150	-	150	-	-	-	-	150	-
<b>Total roads</b>	<b>3,303</b>	-	2,483	820	-	1,450	-	1,853	-

## Capital works program

For the year ending 30 June 2017

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New	Renewal	Upgrade	Expansion	Grants	Contributions	Council cash	Borrow's
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Footpaths and Cycleways</b>									
Golf Links Road - Mooroduc Hwy to Robinsons Road	10	10	-	-	-	-	-	10	-
Overport Road - Seaview Road to Humphries Road	10	10	-	-	-	-	-	10	-
Kars Street - High Street to Baden-Powell Drive	10	10	-	-	-	-	-	10	-
Brighton Street	89	89	-	-	-	-	59	30	-
Frankston-Flinders Road (east side)	278	278	-	-	-	-	-	278	-
Ballarto Road (south side)	15	15	-	-	-	-	-	15	-
Robinsons Road	25	25	-	-	-	-	-	25	-
Nepean Highway (east side)	29	29	-	-	-	-	-	29	-
Ballarto Road (south side)	12	12	-	-	-	-	-	12	-
Frankston - Flinders Road Frankston South - Design & Construct	25	25	-	-	-	-	-	25	-
Frankston-Flinders Road (west side) N/West	50	50	-	-	-	-	-	50	-
McCormicks Road	131	131	-	-	-	-	-	131	-
Liddesdale Avenue	158	158	-	-	-	-	104	54	-
Lee Street	83	83	-	-	-	-	55	28	-
Kuranda Street	80	80	-	-	-	-	53	27	-
Sibyl Avenue	162	162	-	-	-	-	108	54	-
Kars Street	66	66	-	-	-	-	44	22	-
Moorooduc Highway	69	69	-	-	-	-	-	69	-
Centre Road	15	15	-	-	-	-	-	15	-
City Wide Pathway and Cyle Way Plan	890	890	-	-	-	-	-	890	-
Footpath Renewal	2,065	-	2,065	-	-	-	-	2,065	-
	<b>4,272</b>	2,207	2,065	-	-	-	423	3,849	-

## Capital works program

For the year ending 30 June 2017

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New	Renewal	Upgrade	Expansion	Grants	Contributions	Council cash	Borrow's
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Bridges</b>									
Bridges and culverts	905	-	905	-	-	-	-	905	-
<b>Total bridges</b>	<b>905</b>	-	905	-	-	-	-	905	-
<b>Drainage</b>									
Frankston South Drainage Strategy Implementation	650	-	400	250	-	-	-	650	-
Dandenong Road East Drainage Strategy	400	-	400	-	-	-	-	400	-
Drainage Renewal	440	-	340	100	-	-	-	440	-
<b>Total Drainage</b>	<b>1,490</b>	-	1,140	350	-	-	-	1,490	-
<b>Recreational, Leisure and Community Facilities</b>	<b>40</b>	20	-	20	-	-	-	40	-
<b>Waste Management</b>	<b>150</b>	-	150	-	-	-	-	150	-
<b>Parks, Open Space and Streetscapes</b>									
Playground strategy implementation	2,500	-	2,500	-	-	-	-	2,500	-
Playgrounds	490	-	490	-	-	-	-	490	-
Parks	3,815	820	2,100	895	-	-	-	3,815	-
Streetscapes	1,735	-	330	1,405	-	-	-	1,735	-
Trees	200	-	-	200	-	-	-	200	-
Frankston Waterfront Safety Renewal - including boat ramps, playground, shade	1,220	-	1,220	-	-	-	-	1,220	-
Other open space	310	50	260	-	-	-	-	310	-
<b>Total Parks, Open Space and Streetscapes</b>	<b>10,270</b>	870	6,900	2,500	-	-	-	10,270	-

## Capital works program

For the year ending 30 June 2017

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New	Renewal	Upgrade	Expansion	Grants	Contributions	Council cash	Borrow's
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Off Street Car Parks</b>									
Car parks renewal	625	-	625	-	-	-	-	625	-
Baxter Park Soccer Carpark	950	-	-	950	-	-	-	950	-
<b>Total Off Street Car Parks</b>	<b>1,575</b>	-	625	950	-	-	-	1,575	-
<b>Other Infrastructure</b>									
Frankston BMX and Motorcycle Parks	600	-	-	600	-	-	100	500	-
Road Related Infrastructure	55	-	55	-	-	-	-	55	-
<b>Total Other Infrastructure</b>	<b>655</b>	-	55	600	-	-	100	555	-
<b>TOTAL INFRASTRUCTURE</b>	<b>22,660</b>	3,097	14,323	5,240	-	1,450	523	20,687	-
<b>TOTAL NEW CAPITAL WORKS 2016-2017</b>	<b>39,882</b>	7,253	24,002	8,127	500	3,765	723	35,394	-
<b>2. Summary</b>									
PROPERTY	10,762	3,155	5,152	1,955	500	2,300	200	8,262	-
PLANT AND EQUIPMENT	6,460	1,001	4,527	932	-	15	-	6,445	-
INFRASTRUCTURE	22,660	3,097	14,323	5,240	-	1,450	523	20,687	-
<b>TOTAL CAPITAL WORKS</b>	<b>39,882</b>	7,253	24,002	8,127	500	3,765	723	35,394	-

## 7. Rates and charges

In developing the Strategic Resource Plan (referred to in Section 4.), rates and charges were identified as an important source of revenue, accounting for 67 per cent 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 2016-2017 the FGRS cap has been set at 2.5 per cent. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

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

It is predicted that the 2016-2017 operating position will be significantly impacted by wages growth and reductions in government funding. The average general rate and the municipal charge will increase by 2.5 per cent in line with the rate cap, the green waste charge by 0.0 per cent and the general waste charge by 10 per cent. This will raise total rates and charges for 2016-2017 of \$112.90 million, including \$0.70 million generated from supplementary rates. Council's general waste charges have increased due to the increased services provided to the community by way of providing residents with an 'all year round' facility for the disposal of hard and other waste.

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

Type or class of land	2015/16 cents/\$CIV	2016/17 cents/\$CIV	Change
Ordinary Rate	0.3118	<b>0.2874</b>	<b>-7.8%</b>
Rate for Retirement Villages	0.2339	<b>0.2156</b>	<b>-7.8%</b>
Rate for Commercial Land	0.3897	<b>0.3593</b>	<b>-7.8%</b>
Rate for Industrial Land	0.3897	<b>0.3593</b>	<b>-7.8%</b>
Rate for Vacant Residential Land	0.3897	<b>0.3593</b>	<b>-7.8%</b>
Rate for Acacia Heath	0.3632	<b>0.3348</b>	<b>-7.8%</b>
Rate for Farm Land	0.2494	<b>0.2299</b>	<b>-7.8%</b>
Rate for Derelict Land	0.9353	<b>0.8622</b>	<b>-7.8%</b>
Rate concession for rateable recreational	various	<b>various</b>	-
Rate by agreement (including Baxter Village)	various	<b>various</b>	-

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

Type or class of land	Budget 2015/16 \$	Annualised rates levied 2015/16 \$	Budget 2016/17 \$	Change
Ordinary Rate	63,543,295	64,077,323	<b>66,542,839</b>	<b>3.8%</b>
Retirement Villages	247,676	259,288	<b>261,604</b>	<b>0.9%</b>
Commercial Land	7,839,747	7,904,400	<b>7,611,667</b>	<b>-3.7%</b>
Industrial Land	4,885,879	5,131,495	<b>4,812,211</b>	<b>-6.2%</b>
Vacant Residential Land	908,908	822,391	<b>898,620</b>	<b>9.3%</b>
Acacia Heath	471,894	477,197	<b>500,093</b>	<b>4.8%</b>
Farm Land	109,238	109,238	<b>98,627</b>	<b>-9.7%</b>
Derelict Land	44,331	31,986	<b>54,435</b>	<b>70.2%</b>
Rateable recreational properties	203,116	203,116	<b>213,026</b>	<b>4.9%</b>
Rate by agreement (including Baxter Village)	128,905	131,181	<b>132,550</b>	<b>1.0%</b>
<b>Total amount to be raised by general rates</b>	<b>78,382,989</b>	<b>79,147,615</b>	<b>81,125,672</b>	<b>2.5%</b>

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

Type or class of land	2015/16 Number	2016/17 Number	Change
Ordinary Rate	53,991	<b>54,359</b>	<b>0.7%</b>
Retirement Villages	558	<b>574</b>	<b>2.9%</b>
Commercial Land	2,272	<b>2,289</b>	<b>0.7%</b>
Industrial Land	2,413	<b>2,461</b>	<b>2.0%</b>
Vacant Residential Land	697	<b>604</b>	<b>-13.3%</b>
Acacia Heath	240	<b>240</b>	-
Farm Land	13	<b>13</b>	-
Derelict Land	9	<b>8</b>	<b>-11.1%</b>
Rateable recreational properties	5	<b>5</b>	-
Rate by agreement (including Baxter Village)	573	<b>527</b>	<b>-8.0%</b>
<b>Total number of assessments</b>	<b>60,771</b>	<b>61,080</b>	<b>0.51%</b>

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

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

Type or class of land	2015-2016	2016-2017	Change
	\$	\$	
Ordinary Rate	20,553,908,375	<b>23,161,447,500</b>	<b>12.7%</b>
Retirement Villages	110,857,500	<b>121,337,500</b>	<b>9.5%</b>
Commercial Land	2,028,240,925	<b>2,119,061,000</b>	<b>4.5%</b>
Industrial Land	1,316,723,400	<b>1,339,702,500</b>	<b>1.7%</b>
Vacant Residential Land	211,022,495	<b>250,172,500</b>	<b>18.6%</b>
Acacia Heath	131,385,000	<b>143,170,000</b>	<b>9.0%</b>
Farm Land	43,800,000	<b>42,900,000</b>	<b>-2.1%</b>
Derelict Land	3,420,000	<b>6,315,000</b>	<b>84.6%</b>
Rateable recreational properties	95,077,500	<b>108,395,000</b>	<b>14.0%</b>
Rate by agreement (including Baxter Village)	80,957,500	<b>88,760,000</b>	<b>9.6%</b>
<b>Total value of land</b>	<b>24,575,392,695</b>	<b>27,381,261,000</b>	<b>11.4%</b>

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

Type of Charge	Per Rateable Property	Per Rateable Property	Change
	2015/16	2016/17	
	\$	\$	
Municipal	148.85	<b>152.55</b>	<b>2.5%</b>

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

Type of Charge	Annualised			Change
	2015/16	2015/16	2016/17	
	\$	\$	\$	
Municipal	9,044,454	9,091,758	<b>9,321,034</b>	<b>2.5%</b>

7.8 The 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	Per Rateable Property	Change
	2015-2016	2016-2017	
	\$	\$	
Residential Bin 240L	431.30	<b>474.40</b>	<b>10.0%</b>
Residential Bin 120L	286.50	<b>315.20</b>	<b>10.0%</b>
Residential Bin 80L	228.20	<b>251.00</b>	<b>10.0%</b>
Residential Bin 120L (Fortnightly Pickup)	266.50	<b>295.20</b>	<b>10.8%</b>
Residential Bin 80L (Fortnightly Pickup)	208.20	<b>231.00</b>	<b>11.0%</b>
Green Waste Bin (incl tenants)	132.80	<b>132.80</b>	-
Commercial Bin 120L (incl GST)	315.20	<b>346.77</b>	<b>10.0%</b>
Commercial Bin 80L (incl GST)	251.00	<b>276.08</b>	<b>10.0%</b>
Commercial Recycling Bin (incl GST)	168.40	<b>185.23</b>	<b>10.0%</b>
Additional Recycling Bin	50.00	<b>50.00</b>	-

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

Type of Charge	2015-2016	Annualised	2016-2017	Change
	\$	2015-2016	\$	
Residential Bin 240L	6,038	<b>6,470</b>	<b>7,116</b>	<b>10.0%</b>
Residential Bin 120L	10,779,586	<b>10,892,934</b>	<b>11,981,123</b>	<b>10.0%</b>
Residential Bin 80L	3,812,786	<b>3,909,751</b>	<b>4,300,383</b>	<b>10.0%</b>
Residential Bin 120L (Fortnightly Pickup)	112,730	<b>103,402</b>	<b>114,538</b>	<b>10.8%</b>
Residential Bin 80L (Fortnightly Pickup)	79,741	<b>73,078</b>	<b>81,081</b>	<b>11.0%</b>
Green Waste Bin (incl tenants)	4,615,048	<b>4,886,462</b>	<b>4,886,462</b>	-
Commercial Bin 120L (incl GST)	248,110	<b>260,715</b>	<b>286,832</b>	<b>10.0%</b>
Commercial Recycling Bin (incl GST)	30,467	<b>11,942</b>	<b>13,135</b>	<b>10.0%</b>
Additional Recycling Bin	28,601	<b>30,567</b>	<b>30,567</b>	-
<b>Total</b>	<b>19,754,640</b>	<b>20,227,779</b>	<b>21,753,696</b>	<b>7.5%</b>

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

Type of Charge	2015-2016	Annualised	2016-2017	Change
	\$	2015-2016	\$	
Rates and charges	107,182,083	108,467,152	<b>112,197,198</b>	<b>3.4%</b>

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

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

- The making of supplementary valuations (2016-2017: estimated \$700,000, 2015/16: \$790,000)
- The variation of returned levels of value (e.g. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

## **Differential rates**

### **7.2.1 Rates to be levied**

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

- A general rate of 0.2874% for all rateable Other Land;
- A general rate of 0.2156% for all rateable Retirement Village Land; and
- A general rate of 0.3593% for all rateable Commercial Land; and
- A general rate of 0.3593% for all rateable Industrial Land; and
- A general rate of 0.3593% for all rateable Vacant Residential Land; and
- A general rate of 0.3348% for all rateable Acacia Heath Properties; and
- A general rate of 0.2299% for all rateable Farm Land; and
- A general rate of 0.8622% 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.

### **7.2.2 Other Land**

#### **Definitions/Characteristics:**

Any land that is developed or vacant which is not Retirement Village Land, Industrial Land, Vacant Residential, Acacia Estate Properties, Derelict Land, Farm Land or Commercial Land.

#### **Objective:**

To ensure that 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 & community services; and
3. Provision of general support services.
4. Requirement to ensure that Council has adequate funding to undertake its 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 the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

#### **Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-2017 Financial Year.

### 7.2.3 Retirement Village Land

**Definitions/Characteristics:**

Any land which is used primarily for the purposes of a retirement village.

**Objective:**

To ensure that 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 & community services; and
3. Provision of general support services; and
4. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations; and
5. Recognition of expenditures made by Council on behalf of the retirement village sector.

**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 the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-2017 Financial Year.

## **7.2.4 Commercial Land**

### **Definitions/Characteristics:**

Any land which is used primarily for the purposes of a commercial land including developed and vacant land.

### **Objective:**

To ensure that 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 & 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 complementary to the achievement of industrial and commercial 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 the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

### **Geographic Location:**

Wherever located within the municipal district.

### **Use of Land:**

Any use permitted under the relevant Planning Scheme.

### **Planning Scheme Zoning:**

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

### **Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-2017 Financial Year.

## **7.2.5 Industrial Land**

### **Definitions/Characteristics:**

Any land which is used primarily for the purposes of an industrial land including developed and vacant land.

### **Objective:**

To ensure that 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 & 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 complementary to the achievement of industrial and commercial 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 the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

### **Geographic Location:**

Wherever located within the municipal district.

### **Use of Land:**

Any use permitted under the relevant Planning Scheme.

### **Planning Scheme Zoning:**

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

### **Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-2017 Financial Year.

## 7.2.6 Vacant Residential Land

### **Definitions/Characteristics:**

Any land which is zoned residential under the relevant Planning Scheme and on which there is no building that is occupied or adapted for occupation.

### **Objective:**

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

1. Encouragement of development on land; and
2. Construction and maintenance of public infrastructure; and
3. Development and provision of health & community services; and
4. Provision of general support services; and
5. Requirement to ensure that Council has adequate funding to undertake its 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 the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

### **Geographic Location:**

Wherever located within the municipal district.

### **Use of Land:**

Any use permitted under the relevant Planning Scheme.

### **Planning Scheme Zoning:**

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

## 7.2.7 Acacia Heath Land

### **Definitions/Characteristics:**

Any land in the Acacia Heath precinct (as defined in plans of subdivision 446669/70, 448786/7/8, 512750, 531862/63, 537447 and 546857/58).

### **Objective:**

To ensure that 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 Recommendation and which otherwise would not be classed as derelict land.

**Use and Level of Differential Rate:**

The differential rate will be used to offset the costs of works associated each year with the protection and management of public open space and expanded road reserves in the subdivision, approved under Planning Permit No. 01020.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-2017 Financial Year.

## 7.2.8 Farm Land

**Definitions/Characteristics:**

Farm Land is any land which does not have the characteristics of general land or vacant sub-standard land or commercial land or industrial land; which is:

- “farm land” within the meaning of Section 2(1) of the *Valuation of Land Act 1960*

**Objective:**

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

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

**Types and Classes:**

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

**Use and Level of Differential Rate:**

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

**Geographic Location:**

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

**Use of Land:**

The use of the land within this category is any use of land permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

The types of buildings on the land within this category are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2016-2017 financial year.

**7.2.9 Derelict Land****Definitions/Characteristics:**

Derelict Land is any land that meets one or more of the following criteria:

- The building or land is destroyed, decayed, deteriorated, or fallen into partial ruin especially through neglect or misuse. This may include but not be limited to excessive dirt; peeling paint; broken windows, elements of the facade or advertising signs; loose or broken fittings, fixtures; or faulty lighting.
- The building or land constitutes a danger to health or property. This may include but not limited to:
  - The existence on the property of vermin, litter, fire or other environmental hazards
  - A partially built structure where there is no reasonable progress of the building permit
- Provides an opportunity to be used in a manner that may cause a nuisance or become detrimental to the amenity of the immediate area
- Is in such a state of repair that would prohibit its occupation
- The condition of the property or land has a potential to affect the value of other land or property in the vicinity.
- There is excessive growth of grass and or noxious weeds or undergrowth
- Affects the general amenity of adjoining land or neighbourhood by the appearance of graffiti, any stored unregistered motor vehicles, machinery (or parts thereof), scrap metal, second hand timber and or building materials, waste paper, rags, bottles, soil or similar materials.

**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 Recommendation.

**Use and Level of Differential Rate:**

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

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-2017 Financial Year

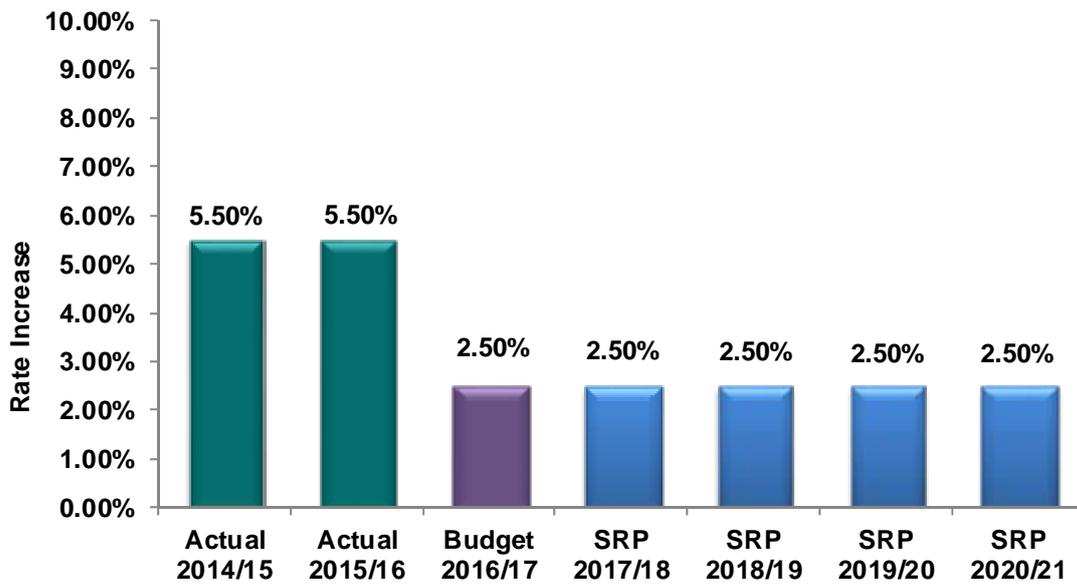
# Budget Analysis

## 8. Summary of financial position

Council has prepared a proposed Budget for the 2016-2017 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

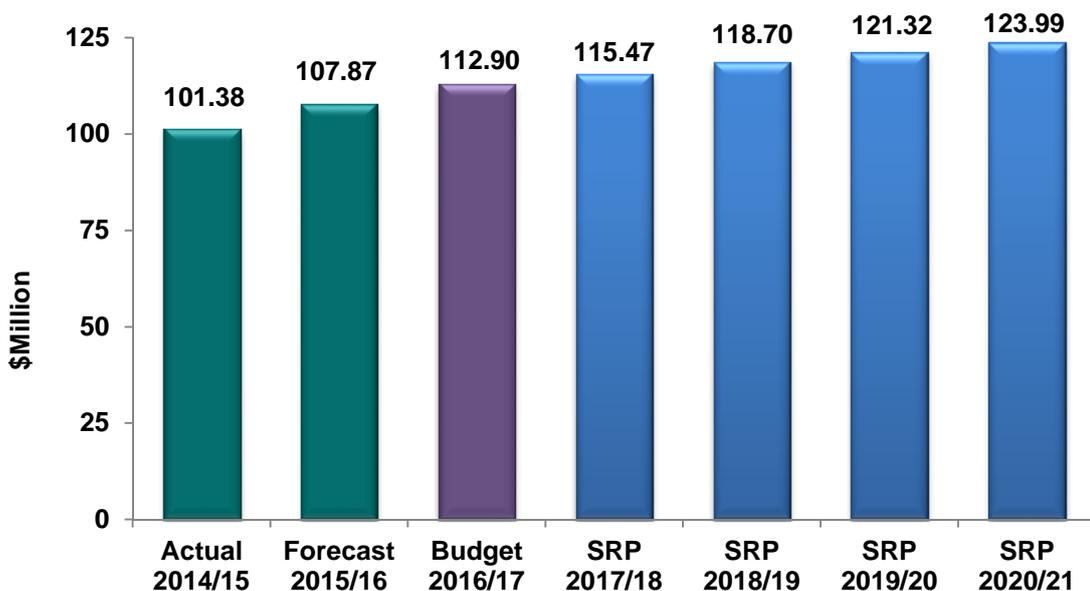
### 8.1

#### Rate percentage increase



SRP - Strategic Resource Plan estimates

#### Total rates and charges



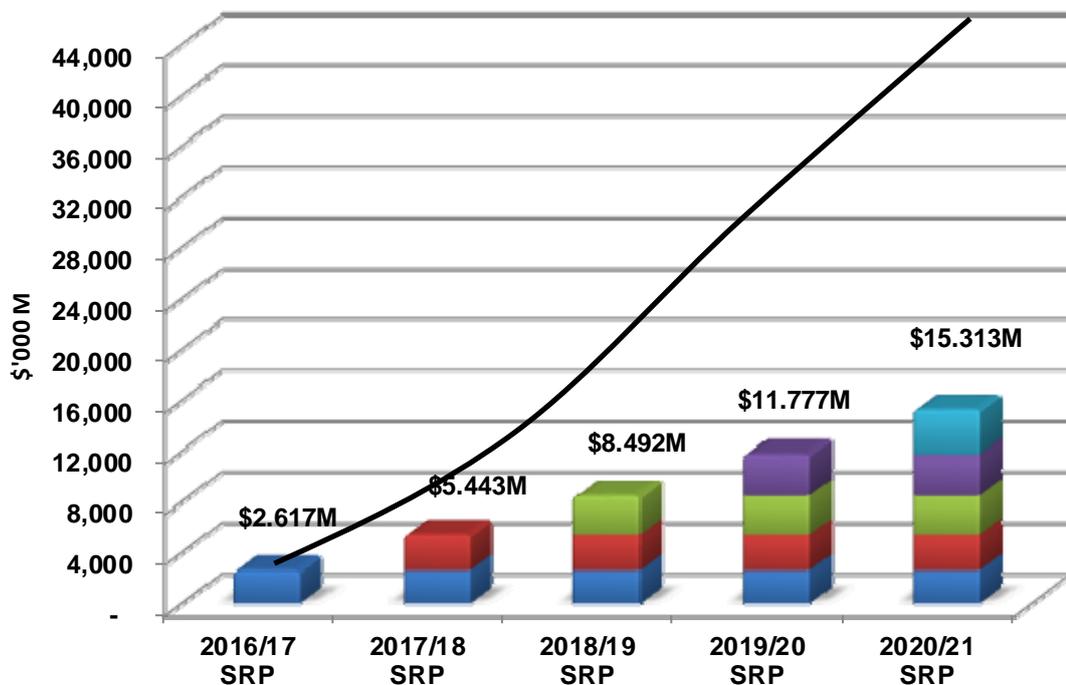
SRP - Strategic Resource Plan estimates

# FRANKSTON CITY COUNCIL 2016-2017 BUDGET

In 2016-2017 rates will increase by 2.50 per cent raising total rates and charges of \$112.90 million, including \$0.70 million generated from supplementary rates on new and redeveloped properties. The State Government passed legislation to implement rate capping that restricts Council from increasing rate income by more than the average cap set by the Minister for Local Government.

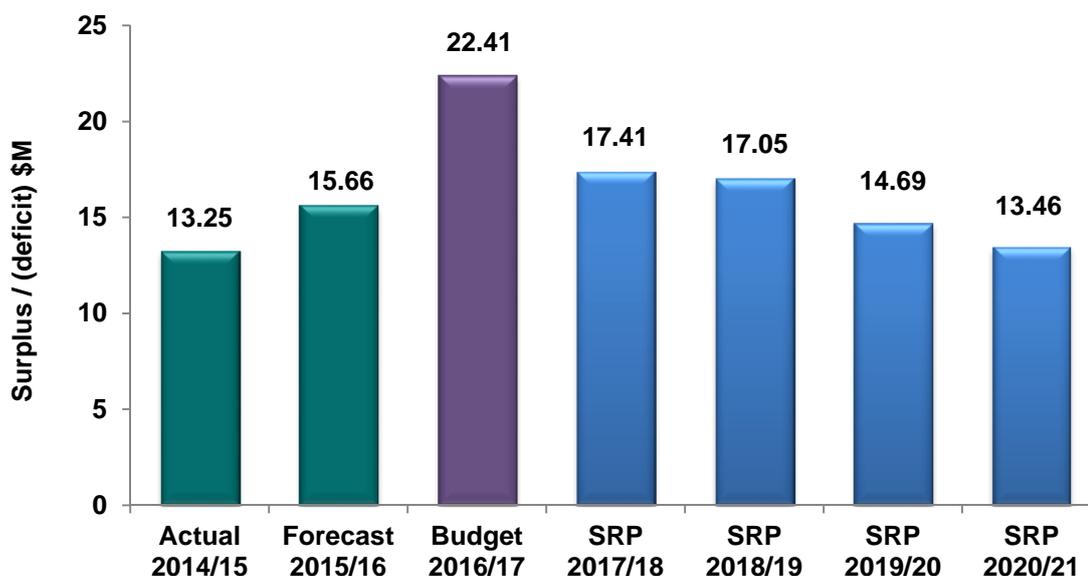
The Minister for Local Government announced on 22 December 2015 that Victorian council rate rises would be capped to the rate of inflation in the 2016-2017 financial year. That is, the CPI as published by the Victorian Department of Treasury and Finance, which is 2.50 per cent for the 2016-2017 year.

Where the level of income raised under the rate cap is insufficient to meet specific needs, councils can apply to the Essential Services Commission for a higher cap. Frankston City Council has not elected to apply for variation to the rate cap in the 2016-2017 year. With revenue from rates falling significantly from 2016/17 under a rate capped environment, there will be a funding shortfall totalling \$43 million over the next five years.



SRP - Strategic Resource Plan estimates

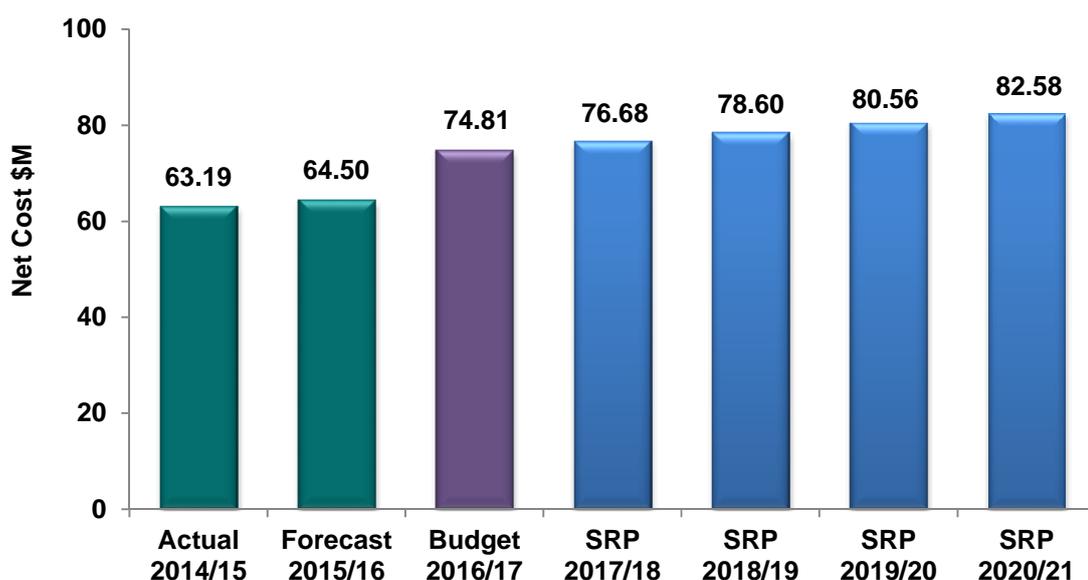
**8.2 Operating Result**



SRP - Strategic Resource Plan estimates

The expected operating result for the 2016-2017 year is a surplus of \$22.41 million, which is an increase of \$6.75 million over 2015-2016. The improved operating result is due mainly to the improved trading result anticipated at Peninsula Aquatic Recreation Centre, limited growth in expenditure and timing differences in receipt of the Grants Commission payments from the Government. The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a surplus of \$16.54 million, which is an increase of \$6.59 million over 2015-2016 – refer to Section 7 of this summary for further information. (The forecast operating result for the 2015-2016 year is a surplus of \$15.66 million).

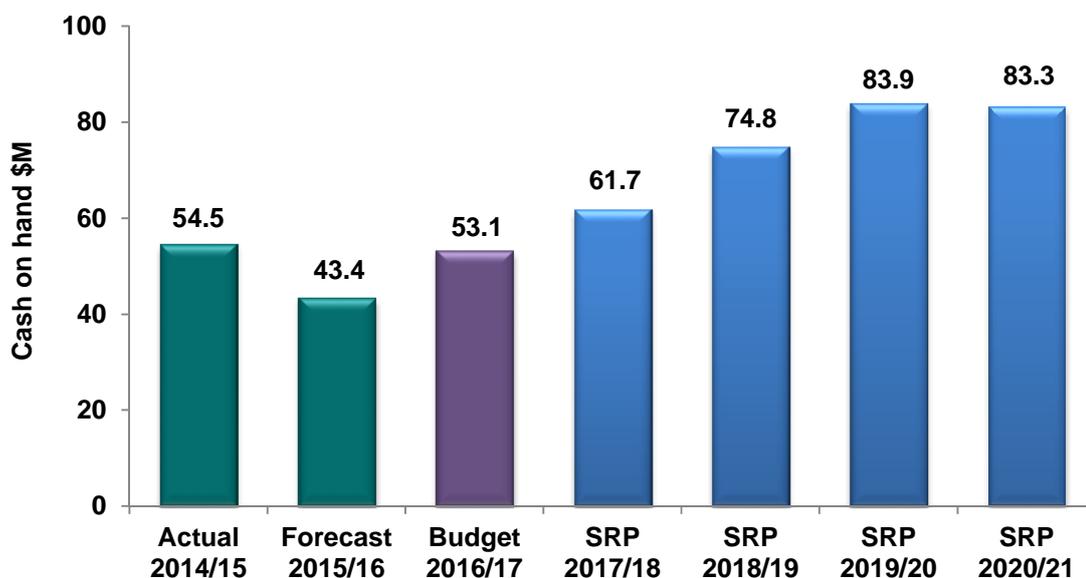
**8.3 Services**



SRP - Strategic Resource Plan estimates

The net cost of services delivered to the community for the 2016-2017 year is expected to be \$74.81 million which is an increase of \$10.31 million over 2015-2016. This increase is mainly due to the consolidation of the Peninsula Aquatic Recreation Centre budget. The recently released results of the community satisfaction survey conducted by Council show that while there is a relatively high level of satisfaction with most services provided by Council, there are some areas of concern where there is a clear message that ratepayers want improved service levels.

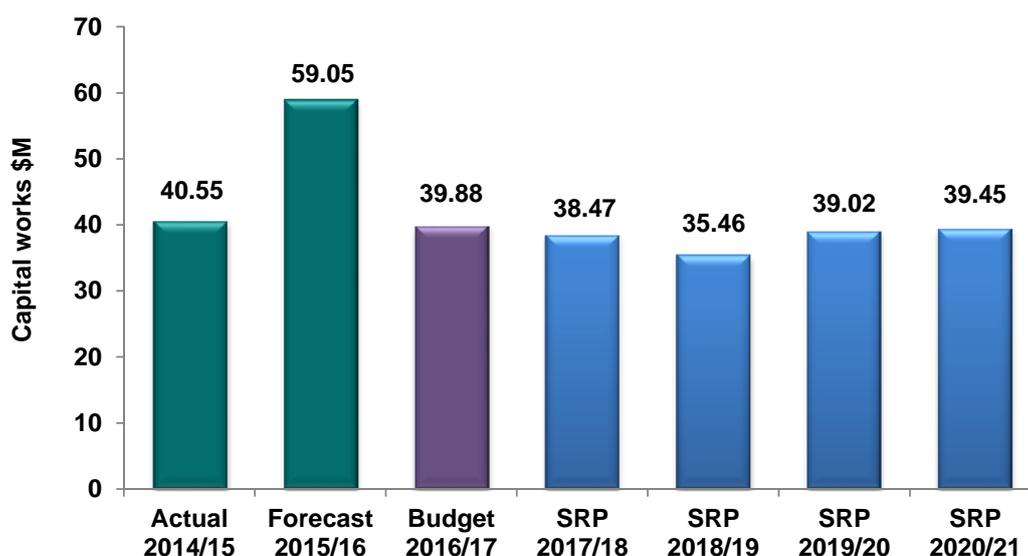
## 8.4 Cash and Investments



SRP - Strategic Resource Plan estimates

Cash and investments (including investments for Long Service Leave provision) are expected to increase to \$53.1 million as at 30 June 2017. Refer also Section 4 for the Statement of Cash Flows and Section 11 for an analysis of the cash position.

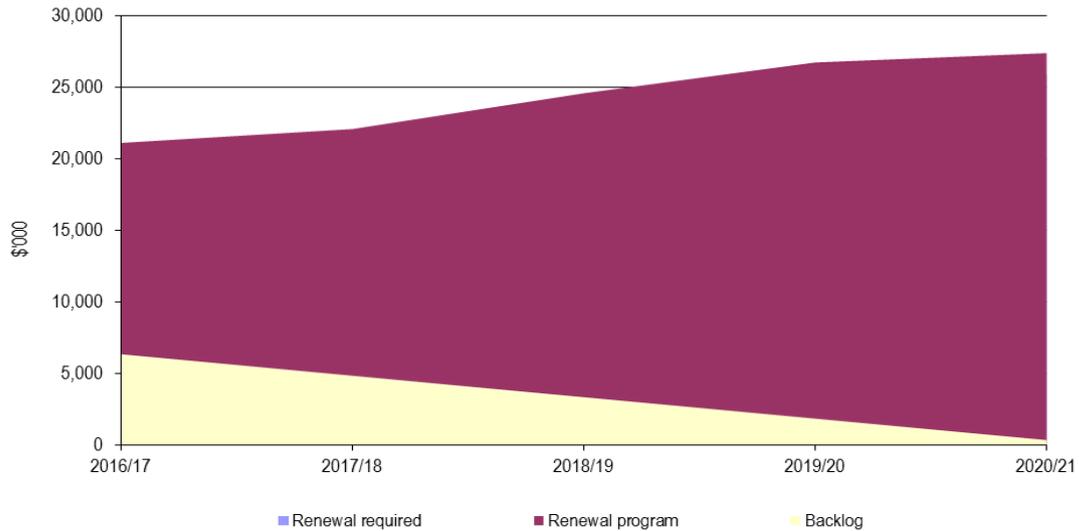
## 8.5 Capital Works



SRP - Strategic Resource Plan estimates

The capital works program for the 2016-2017 year is expected to be \$39.88 million. The carried forward component is fully funded from the 2015-2016 budget. Of the \$39.88 million of capital funding required, \$4.28 million will come from external grants and contributions with the balance of \$35.60 million from Council cash. The Council cash amount comprises asset sales (\$1.31 million), cash held at the start of the year (\$1.16 million) and cash generated through operations in the 2016-2017 financial year (\$33.13 million). The capital expenditure program has been set and prioritised based on a rigorous process of consultation that has enabled Council to assess needs and develop sound business cases for each project. (Capital works is forecast to be \$59.05 million for the 2015-2016 year).

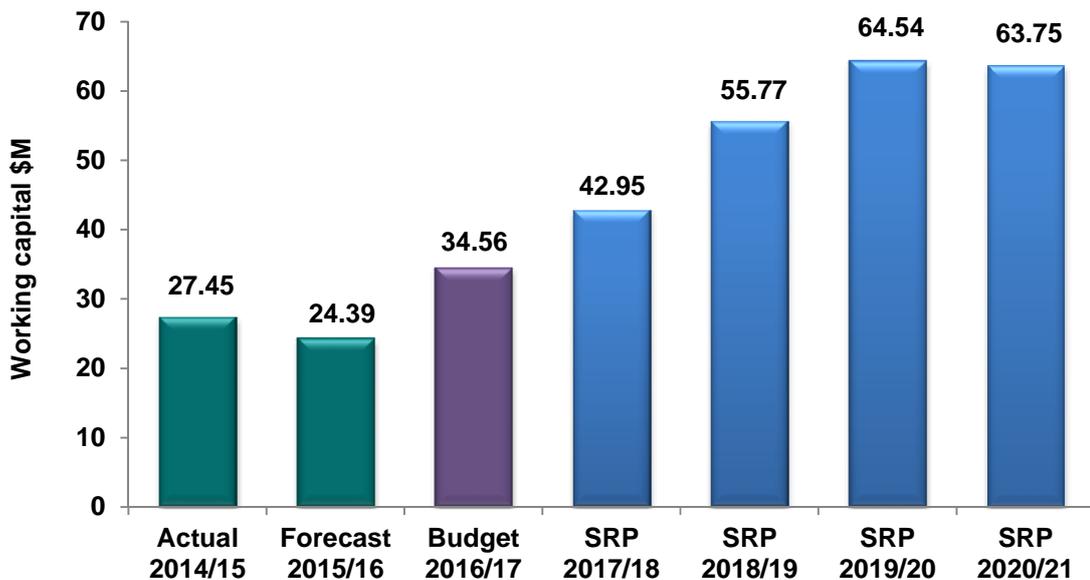
The graph below sets out the required and actual asset renewal over the life of the current Strategic Resource Plan and the renewal backlog.



The asset renewal program has been increased to \$24.00 million in the 2016-2017 year.

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

### 8.6 Financial Position

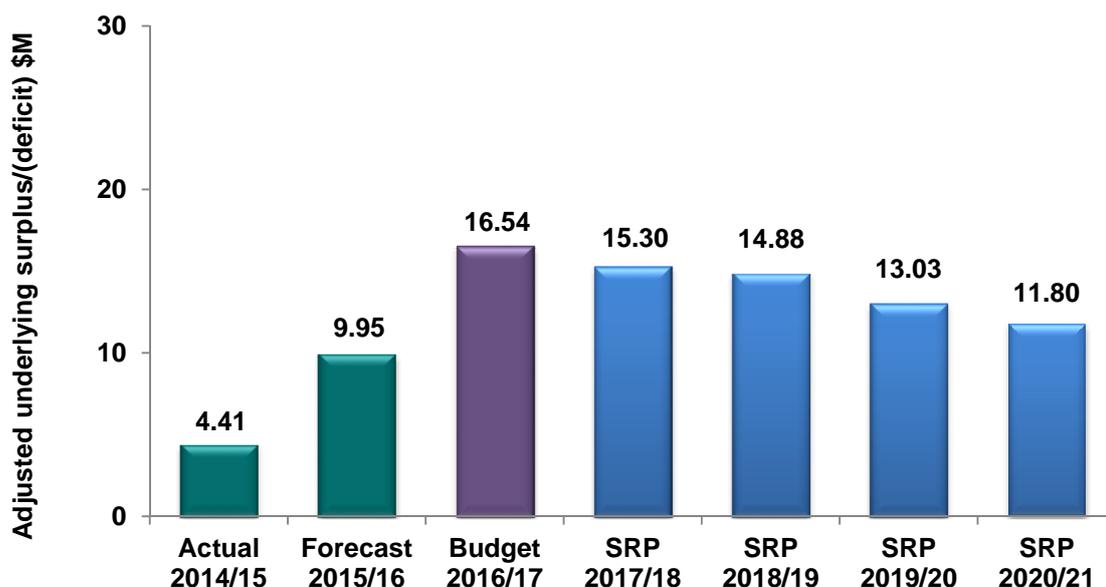


SRP - Strategic Resource Plan estimates

Council’s overall financial position is expected to improve with net assets (net worth) to increase by \$22.87 million to \$1.28 billion although net current assets (working capital) will increase by \$10.17 million to \$34.56 million as at 30 June 2017. This is mainly due to the allocation of funds to cash reserves future capital works projects. (Net assets is forecast to be \$1.26 billion as at 30 June 2016).

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

**8.7 Financial Sustainability**



SRP - Strategic Resource Plan estimates

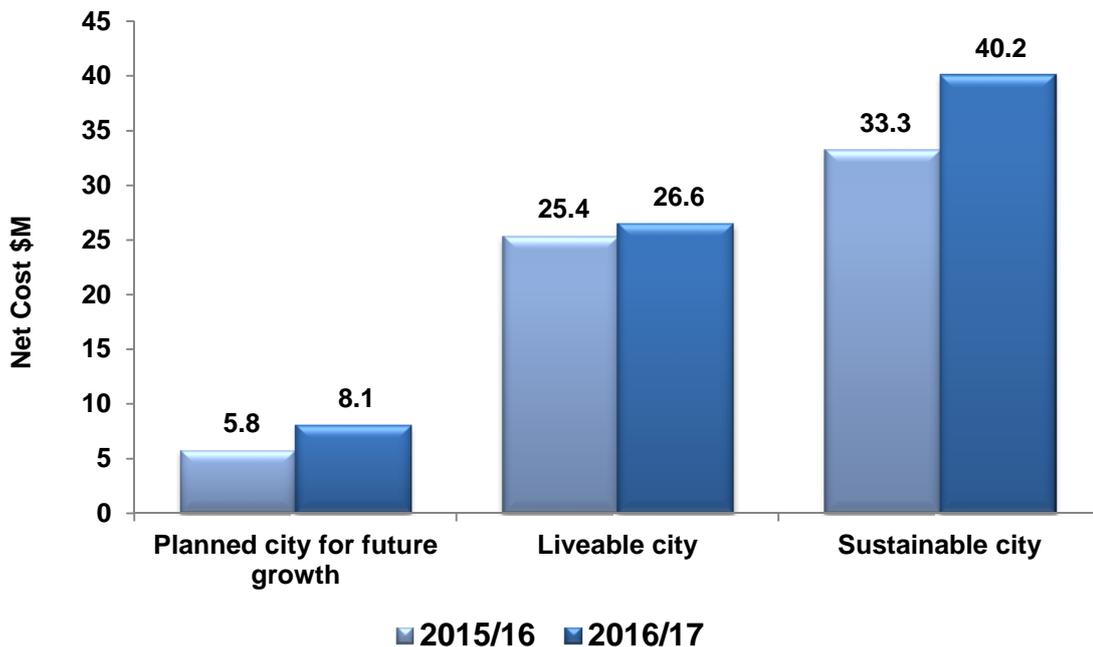
The underlying result, which excludes items such as capital grants and contributions, is a surplus of \$16.54 million. (The forecast underlying result for the 2015-2016 year is a surplus of \$9.95 million). The Underlying Operating Result is one of Council’s key indicators of financial performance as it measures Council’s day to day operating activities. It excludes one off items such as capital grants and contributions as well as non-monetary assets.

The Underlying Operating Result is of most concern as Council’s long term financial viability depends on its ability to make an operating surplus on a day to day basis in order to fund the replacement of assets and to fund new projects. Council’s 2016-2017 budget has been built on embedding long term financial sustainability and this graph indicates that Frankston’s future financial position will support the delivery of its Council Plan and medium term community outcomes. However, the introduction of rate capping has resulted in an unsustainable future financial position in the long term.

A high level Strategic Resource Plan for the years 2016-2017 to 2020-2021 has been developed to assist Council in adopting a budget within a longer term prudent financial framework

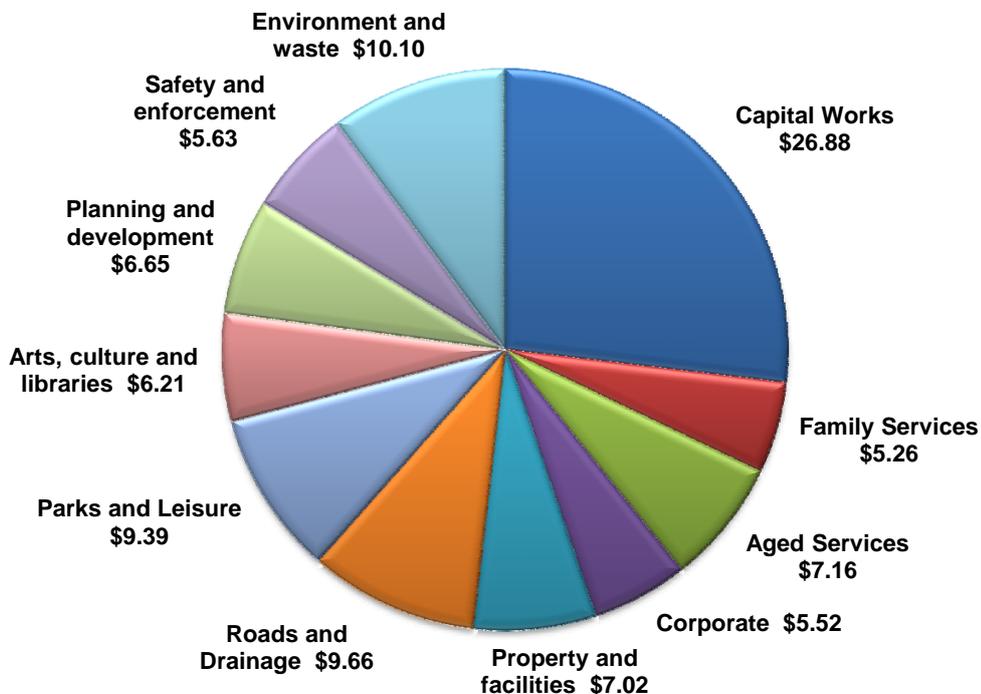
Refer Section 14 for more information on the Strategic Resource Plan.

**8.8 Strategic objectives**



The proposed 2016-2017 Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2016-2017 year.

**8.9 Council expenditure allocations**



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 area for every \$100 that Council spends.

## 9. Budget influences

### 9.1 Frankston City...at a glance

Frankston City is striving to be the preferred place to live, learn, work, visit and invest, offering incentives such as:

- vibrant and diverse communities with a potential catchment of over 328,000 people
- a unique lifestyle
- 11 kilometres of beautiful coastline, award winning clean foreshore and beaches
- cutting-edge arts and culture facilities and excellent restaurants and cafés
- world-class health and education facilities
- proactive commercial, retail and clean manufacturing business environment
- varied tourism experiences throughout Frankston City and the broader Mornington Peninsula region, which attracts 1.4 million overnight visitors and 2.9 million day trippers visiting annually.

#### Our Place

Frankston City is situated on the eastern shores of Port Phillip Bay approximately 40 kilometres south of Melbourne. The municipality covers an area of approximately 131 square kilometres from Seaford Wetlands in the north, to Mount Eliza in the south, and the Western Port Highway in the east. The western boundary of the city is made up of about 11 kilometres of beautiful coastline, and clean foreshore and beaches along Port Phillip Bay.

Frankston City is strategically placed as the regional capital for the Mornington Peninsula and the nearby south east growth corridor of Melbourne. Currently, Frankston City provides regional shopping, education, health, community service, financial, recreation and leisure and entertainment facilities for a population catchment far greater than its municipal boundaries.

Frankston City is more than just the suburb of Frankston. It comprises the suburbs of Frankston central, Carrum Downs, Frankston North, Frankston South, Langwarrin, Seaford, Karingal, Sandhurst and Skye.

#### Our People

The population of Frankston City is 126,458 (ABS Census 2011) and is predicted to grow to approximately 160,000 by 2050. Frankston City has a young population, with nearly 26 per cent of residents under the age of 19 and 46 per cent aged 34 years or younger.

Overall, 21.8 per cent of the population were born overseas and 10.2 per cent are from a non-English speaking background, compared with 31.4 per cent and 24.2 per cent respectively for Greater Melbourne.

Whilst the city has a strong Aboriginal and Torres Strait Islander community, Frankston City has been a predominantly Anglo-Australian community. The cultural diversity of the city is developing. From 2006 to 2011 the number of people living in Frankston who were born in India has almost doubled (652 to 1282 people), there was a 51 per cent increase of people who were born in the Philippines (564 to 855 people), 75 per cent increase of people born in China (343 to 603 people), 43 per cent increase of people born in South Africa (519 – 747 people)

Our labour force comprises 64,221 individuals, of which over 60,579 are employed. Frankston City residents contribute to the wellbeing of their community through a significant amount of unpaid work, including volunteering and unpaid childcare. There are 14,046 people in Frankston City who volunteer their time (13.8 per cent of the adult population), an increase of 1,015 people from 2006-2011.

Overall, 42.1 per cent of the population held educational qualifications – including 11.9 per cent with a Bachelor or higher degree and 21.7 per cent who had a vocational qualification. 46.7 per cent of our population have no qualifications. Creating employment and improving access to education are key priorities for Council, with unemployment consistently above the state and national averages.

In 2011, Frankston City contained 53,252 dwellings, 81.1 per cent of which were separate houses. Owning a home is important to people living in Frankston City, with 39.9 per cent in the process of buying their own home, while 26.3 per cent own their own homes and a smaller proportion rent (26.6 per cent).

### Recreation and Leisure

Council has an emphasis on developing first-class facilities –golf courses, basketball and netball facilities, quality football grounds, gardens, playgrounds, boardwalks and bike trails – to meet the needs of a community where approximately 20,000 people take part in sport. In 2011-2012, 84 per cent of residents surveyed participate in local recreational activities.

## 9.2 External influences

In preparing the proposed 2016-2017 Annual Budget, a number of external influences have been taken into consideration. These include:

- Consumer Price Index (CPI) increases on goods and services of 1.7 per cent through the year to December quarter 2015 (ABS release 28 January 2015). State-wide CPI is forecast to be 2.5 per cent for the 2016-2017 year (Victorian Budget Papers 2015-2016).
- Australian Average Weekly Earnings (AWE) growth for Public Sector full-time adult ordinary time earnings in the 12 months to May 2015 was 1.7 per cent (ABS release 13 August 2015). The wages price index in Victoria is projected to be 3.25 per cent per annum in 2016-2017 and the subsequent two years (Victorian Budget Papers 2015-2016). Council must renegotiate a new Enterprise Agreement during the 2016-2017 year for commencement on 1 April 2016.
- Reduction of \$0.10 million in Victoria Grants Commission funding compared to the prior year.
- Increases of 3.3 per cent (or \$2.02 per tonne) in the levy payable to the State Government upon disposal of waste into landfill. The levy has increased from \$9 per tonne in 2008-2009 to \$60.52 per tonne in 2016-2017 (572 per cent increase in 8 years) and has added \$1.54 million to Council's costs.
- Cost Shifting occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. Examples of services that are subject to Cost Shifting include school crossing supervision, Library services and Home and Community Care for aged residents. In all these services the level of payment received by Council from the State Government does not reflect the real cost of providing the service to the community.
- Councils across Australia raise approximately 3.5 per cent of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30 per cent of the all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these

valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.

- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the Fire Services Property Levy Act 2012.
- Council received notification in November 2015 that a review of the September Vested Benefit Index (VBI) was within the superannuation prudential standards. However, there was a decrease in the 30 September 2015 VBI compared to the 30 June 2015 VBI primarily due to the salary increases notified during the quarter and the investment market performance during the period. At this stage no restoration plan is required as the VBI meets the required threshold, however Council needs to manage this issue to dampen the impact of a potential future defined benefit superannuation shortfall.

### 9.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2016-2017 Budget. These matters have arisen from events occurring in the 2015-2016 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2016-2017 year. These matters and their financial impact are set out below: Ongoing objective to gain operational efficiencies and to achieve long term financial sustainability.

- The draft 2016-2017 Annual Budget includes the anticipated operating results for the newly opened Frankston Regional Recycling and Resource Centre (FRRRC). Initial figures for 2015-2016 have been adjusted based on proceeding with the hard rubbish collection during November 2015 and the slower than anticipated attendance to the facility. As a result the expected net surplus of \$1.32 million for 2015-16 is expected to shift to a net cost of \$0.91 million. A conservative approach has been taken for the performance of the facility in 2016-2017 based on the current trend of income streams and is anticipated to deliver a net cost of \$0.94 million.
- Hard waste collection costs for 2015-2016 were significantly higher than expected resulting in an overrun of \$0.20 million due to an increase in tonnage collected. The purchase of the Frankston Regional Resource and Recycling Centre provides residents with an “all year round” facility for the disposal of hard and other waste. Council has budgeted for a blanket hard waste collection in 2016-2017 and will retain an “at call” service for the convenience of residents and ratepayers. The provision of all services have increased costs to Council which has been passed on to ratepayers by way of a nil increase to green waste charges and 10 per cent increase to general waste charges.
- Peninsula Aquatic Recreation Centre (PARC) is now fully operating as a separate entity and the operations of this facility are now included in the 2016-2017 draft Annual Budget. Similarly, at the end of the financial year, Council will consolidate the financial results with the annual financial statements of Frankston City Council.
- The previous editions of Council’s Long Term Financial Plan were based on an annual rate increase of 5.50 per cent over the life of the plan. This increase effectively covered an annual increase of 4.50 per cent which was required to simply provide for the ongoing provision of services at the same standard of service as previously delivered. The remaining 1 per cent was to fund an increasing ability to fund capital expenditure which was crucial for Council to deliver on a range of large new infrastructure projects whilst at the same point continuing to effectively fund the renewal of existing assets.

With rates now capped at a forecast Consumer Price Index figure, the 2016-2014 Annual Budget rates and charges income has been revised down to 2.50 per cent. In order to reduce the rate percentage increase by 3 per cent, Council has had to increase income or reduce expenditure by \$2.671 million (excludes waste charges).

- The Draft 2016-2017 Budget has been developed based on a 1.40 per cent plus 0.50 per cent banding increments. Negotiations for the upcoming Enterprise Agreement 8 will commence during 2016-2017. Until such time these negotiations are finalised, the Budget has been prepared using the above parameters. Enterprise Agreement 7 had quantum increments of 3.25 per cent over the term of the agreement. The cost of provision of Council services is very heavily based on labour costs which account for approximately 46 per cent of total operational spending.

#### 9.4 Budget principles

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

- Existing fees and charges to be reviewed and adjusted to in line with Council's policy, market levels and an equitable amount for each service/item.
- Grants to be based on confirmed funding levels.
- New revenue sources to be identified where possible.
- Service levels to be maintained at 2015-2016 levels with the aim to use less resources with an emphasis on innovation and efficiency.
- Contract labour to be minimised.
- New initiatives or employee proposals which are not cost neutral to be justified through a business case.
- Real savings in expenditure and increases in revenue identified in 2015-2016 to be preserved
- Operating revenues and expenses arising from completed 2015-2016 capital projects to be included.

In terms of the direct parameters upon which the 2016-2017 Annual Budget is based, the below table tabulates the assumptions:

Key Assumptions	2016-2017
Rate Increase	2.50%
Green Waste Charges	0.00%
General Waste Charges	10.00%
Fees - Set by Council	Various
Fees and Charges (Statutory)	1.00%
Other Recurrent Grants	1.00%
Grants Commission Grants	0.00%
Employee Costs	1.90%
Contracts & Materials	3.20%
Gas	15.00%
Water	5.00%
Electricity	5.50%
Insurance	5.00%

1. Fees and Charges are fully documented in Appendix A. The majority of Fees and Charges have been adjusted based on a robust review that measures the increased cost for Council to provide services. There is however a number of individual fees where increases are below or higher than the base index due to them being of a statutory nature.
2. A combined increase of 1.90 per cent has been allowed to cover EBA increases, superannuation guarantee increases and periodic increases that occur as staff progress through the employee banding structure provided for in Awards.

## 10. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2016-2017 year.

### 10.1 Budgeted income statement

	Ref	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
Total income	10.2	156,051	167,516	11,465
Total expenses	10.3	(140,391)	(145,104)	(4,713)
<b>Surplus/(deficit) for the year</b>		<b>15,660</b>	<b>22,412</b>	<b>6,752</b>
Grants - capital (non-recurrent)	5.1.2	(3,181)	(3,765)	(584)
Contributions - non-monetary		(800)	(800)	-
Capital contributions - other sources	10.2.6	(1,725)	(1,304)	421
<b>Adjusted underlying surplus/(deficit)</b>	<b>10.1.1</b>	<b>9,954</b>	<b>16,543</b>	<b>6,589</b>

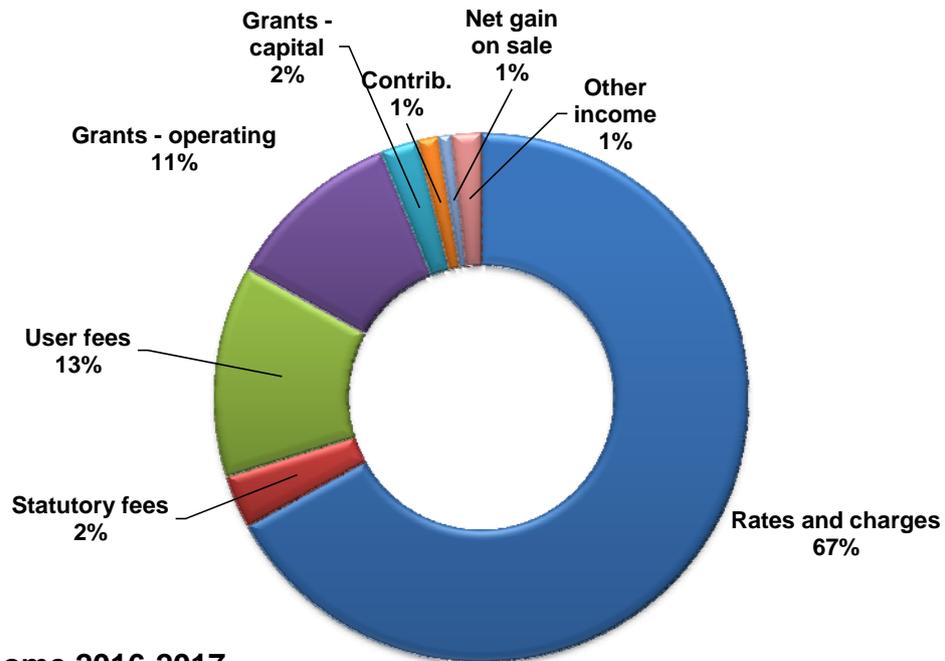
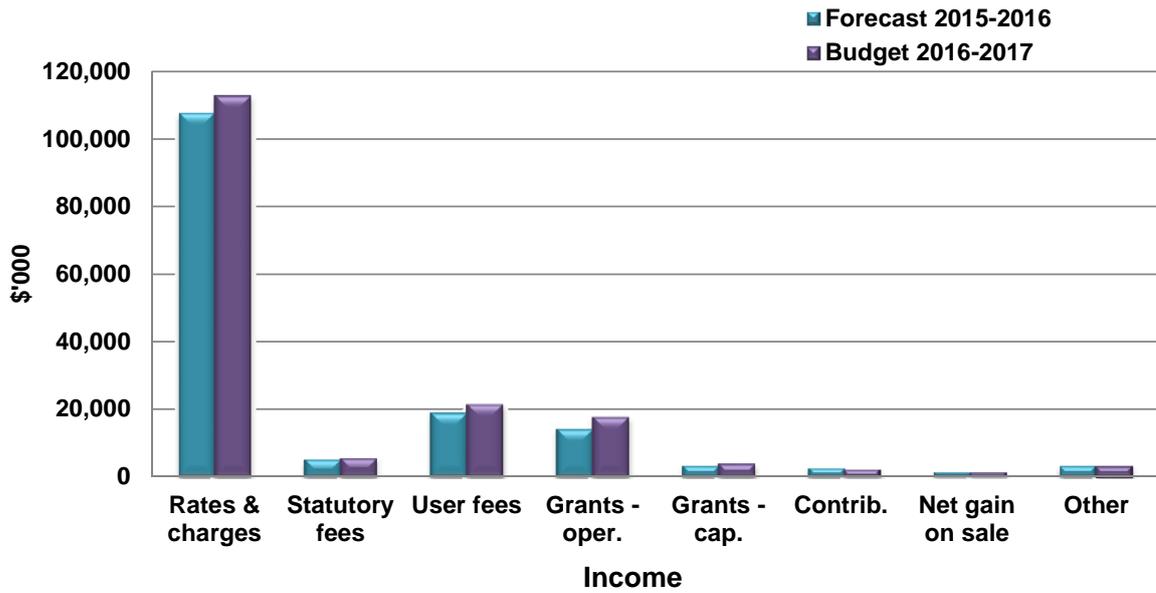
#### 10.1.1 Adjusted underlying surplus (\$6.59 million increase)

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, contributions of non-monetary assets and other once-off adjustments. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not affected by non-recurring or once-off items of income and expenses which can often mask the operating result. The adjusted underlying result for the 2016-2017 year is a surplus of \$16.54 million which is an increase of \$6.59 million over the 2015-2016 year. In calculating the underlying result, Council has excluded grants received for capital purposes as funding for the capital works program is once-off and usually non-recurrent. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

### 10.2 Income

Income Types	Ref	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
Rates and charges	10.2.1	107,872	112,897	5,025
Statutory fees and fines	10.2.2	5,055	5,355	300
User fees	10.2.3	18,889	21,491	2,602
Grants - operating	5.1.1	14,006	17,638	3,632
Grants - capital	5.1.2	3,181	3,765	584
Contributions - monetary	10.2.4	1,725	1,304	(421)
Contributions - non-monetary	10.2.5	800	800	-
Net gain on disposal of property, infrastructure, plant and equipment	10.2.6	1,413	1,311	(102)
Other income	10.2.7	3,110	2,955	(155)
<b>Total income</b>		<b>156,051</b>	<b>167,516</b>	<b>11,465</b>

# FRANKSTON CITY COUNCIL 2016-2017 BUDGET



## Budgeted income 2016-2017

### 10.2.1 Rates and charges (\$5.02 million increase)

The 2016-2017 Annual Budget includes a capped increase in the average base rate of 2.5 per cent or \$5.02 million over 2015-2016 to \$112.90 million.

Supplementary rates, for new rateable assessments or properties completing improvement works during the financial year, are forecast to provide \$0.70 million in rate revenue over 2016-2017. Section 7, "Rating Information" provides a detailed analysis of the rates and charges to be levied for 2016-2017.

### 10.2.2 Statutory fees and fines (\$0.30 million increase)

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

A detailed listing of statutory fees and fines are included in Appendix A to this report.

	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
Building and town planning fees	721	732	11
Infringements & Costs	4,234	4,510	276
Land information certificates	99	113	13
<b>Total statutory fees and fines</b>	<b>5,055</b>	<b>5,355</b>	<b>301</b>

### 10.2.3 User fees (\$2.06 million increase)

Fees and charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. The principal sources of fee income arise from services such as child care, pre-schools, recreational facilities, home care, entertainment and other community facilities. The increase in user fees income is mainly due to:

- Waste management fees are expected to increase by \$0.99 million mainly due to the full year of trading at the Frankston Regional Recycling and Recovery Centre.
- Peninsula Aquatic Recreation Centre expected to increase by \$1.11 million due to growth in trading operations.

	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
Aged care services (inc home care and meals on wheels)	913	932	20
Arts and culture	2,376	2,495	119
Building permits	268	278	10
Childcare/children's program fees	260	228	(32)
Debt collection recovery charge	450	450	0
Events and festivals	130	110	(20)
Other fees and charges	1,337	1,318	(19)
Parking fees	1,504	1,725	221
Peninsula Aquatic Recreation Centre	8,357	9,472	1,114
Recreation and leisure	1,365	1,300	(65)
Rental/lease	395	415	20
Transportation and developments	226	241	15
Valuations and fire service levy charges	167	397	230
Waste management	1,140	2,130	990
<b>Total fees and charges</b>	<b>18,889</b>	<b>21,491</b>	<b>2,602</b>

A detailed listing of user fees is included in Appendix A to this report. To diminish Council's reliance on rate income, a full review of user fees and charges will continue in 2016-2017.

#### 10.2.4 Contributions – monetary (\$0.42 million decrease)

Contributions for capital works in the 2016-2017 Annual Budget has decreased by \$0.42 million from the 2015-2016 forecast primarily due to the one off contribution in 2015-2016 for the Seaford Bowling Club. Revenues from this income stream are closely linked to the projects that are included in the capital works program.

Cash contributions are charges paid by developers in regard to recreational lands, drainage and car parking in accordance with planning permits issued for property development. Cash contributions in the adopted 2016-2017 Annual Budget are projected to remain constant with the 2015-2016 forecast due to the completion of property developments within the municipality during the 2016-2017 year.

#### 10.2.5 Contributions – non-monetary (Nil change)

Non-monetary contributions represent assets which transfer to Council from property developers at the completion of subdivisional work. The assets generally consist of land used for public open space or infrastructure assets. Council recognises these new assets at 'fair value'. No cash is transferred but the fair value of the assets is recorded as revenue.

#### 10.2.6 Net gain on disposal of property, infrastructure, plant and equipment (\$0.10 million increase)

Net gain on sale of Council assets is forecast to be \$0.10 million for 2016-2017 and relates to the planned cyclical replacement of part of the plant and vehicle fleet together with a sale of small parcel of land.

#### 10.2.7 Other income (\$0.16 million decrease)

Other income in 2016-2017 Annual Budget is projected to be \$3.00 million.

Interest earnings relate to proceeds from cash investments or interest charges levied as a penalty for late rate payments.

Interest on investments is forecast to decline compared to 2015-2016 due to a reduction in Council's available cash reserves during 2016-2017 to fund major infrastructure projects and lower interest rates. Interest on unpaid rates is forecast to increase compared to 2015-2016 due to an expected increase in the level of unpaid rates during 2016-2017.

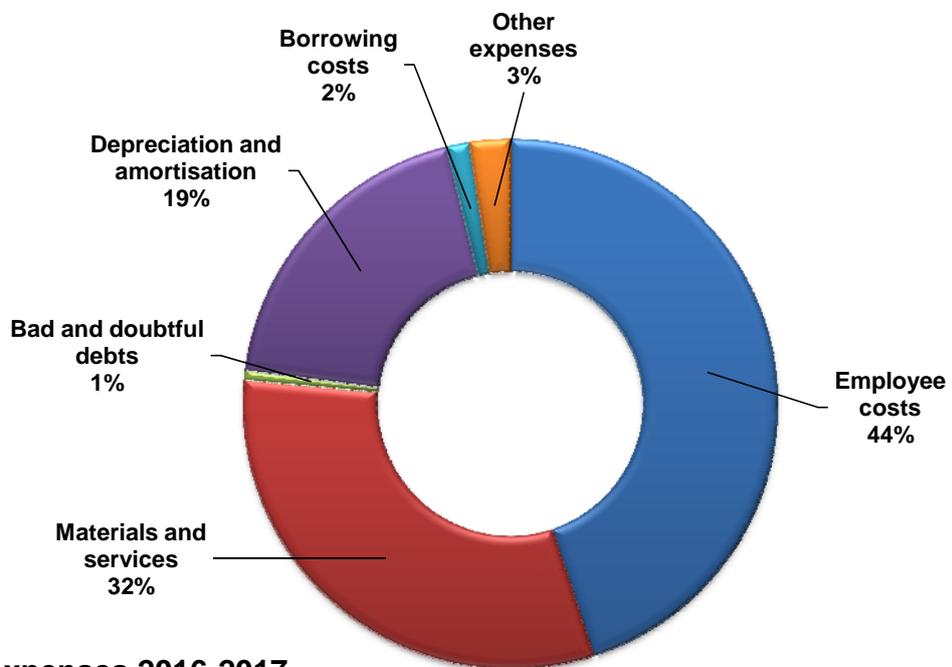
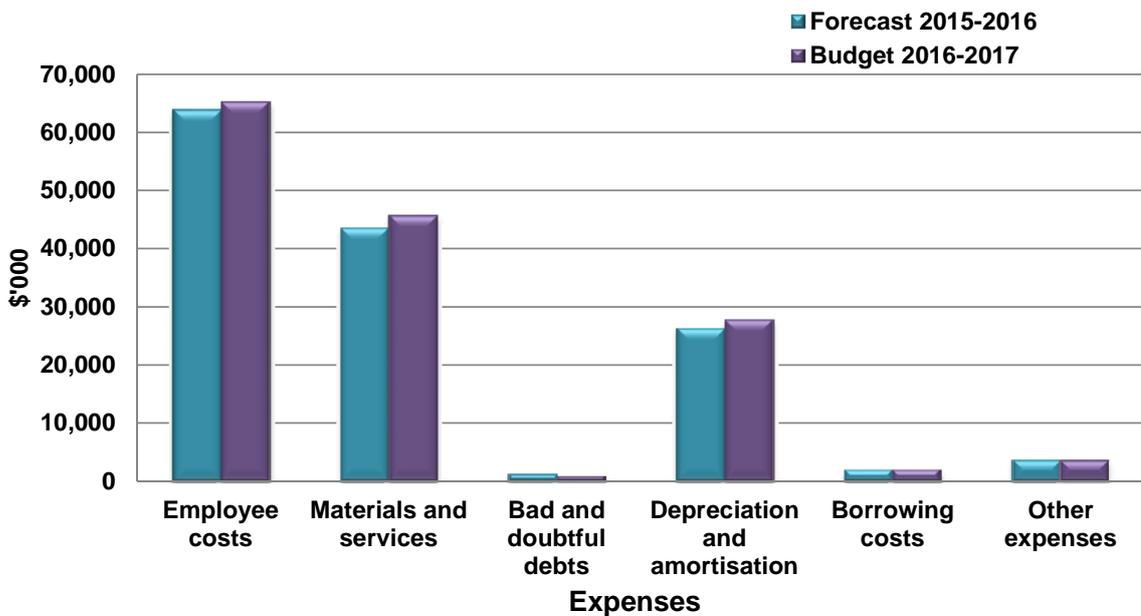
### 10.3 Operating Expenditure

Expense Types	Ref	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
Employee costs	10.3.1	63,836	65,251	1,415
Materials and services	10.3.2	43,564	45,688	2,124
Bad and doubtful debts	10.3.3	1,147	866	(281)
Depreciation and amortisation	10.3.4	26,233	27,745	1,512
Borrowing costs	10.3.5	1,992	2,008	16
Other expenses	10.3.6	3,619	3,546	(73)
<b>Total expenses</b>		<b>140,391</b>	<b>145,104</b>	<b>4,713</b>

# FRANKSTON CITY COUNCIL 2016-2017 BUDGET

When comparing operating expenditure from 2015-2016 Annual Budget to the proposed 2016-2017 Annual Budget (refer to table below), an overall increase of 2.3 per cent has been achieved.

Operating Expenditure Movement	Budget 2015-2016 \$'000	Budget 2016-2017 \$'000	Variance %
Expenses	141,873	145,104	2.28%



Budgeted expenses 2016-2017

### 10.3.1 Employee costs (\$1.41 million increase)

Employee costs include all labour related expenditure inclusive of oncosts such as WorkCover insurance, superannuation, leave loading and long service leave entitlements. At the time of preparing the draft annual budget Council's Enterprise Agreement had not been finalised. An estimated increase of 1.40 per cent has been allowed to cover EBA increases, superannuation guarantee increases and periodic increases that occur as staff progress through the employee banding structure provided for in Awards.

Employee costs are forecast to increase in the proposed 2016-2017 Annual Budget by \$1.41 million or 2.2 per cent compared to 2015-2016. This relates to the EBA increase together with the increased trading activity at the Peninsula Aquatic Recreation Centre where casual salaries vary directly with income.

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

Department	Budget 2016/17 \$'000	Comprises	
		Permanent Full time \$'000	Permanent Part time \$'000
Chief Executive Officer	826	707	119
Human Resources	1,356	1,248	108
Corporate Management	573	480	93
Information Technology	1,882	1,566	316
Finance	2,127	1,914	213
Administration & Corporate Projects	1,099	943	156
Commercial Services	990	990	-
Assets Management	389	389	-
Communities Management	386	386	-
Community Strengthening	3,022	1,971	1,051
Family Health Support Services	12,500	2,956	9,544
Arts & Culture	4,926	2,787	2,139
Compliance & Safety	5,416	4,104	1,312
Community Relations	3,108	1,563	1,545
Operations	11,162	10,810	352
Planning	2,640	2,364	276
Infrastructure	2,376	2,331	45
Facilities	1,135	1,135	-
Public Space & Leisure	1,416	1,145	271
Sustainable Assets	1,960	1,960	-
Peninsula Aquatic Recreation Centre	2,526	2,219	307
Pines Forest Aquatic Centre	39	39	-
<b>Total permanent staff expenditure</b>	<b>61,855</b>	<b>41,749</b>	<b>17,847</b>
Casual and other expenditure	4,970		
Capitalised labour costs	(1,567)		
<b>Total expenditure</b>	<b>65,251</b>		

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

Department	Budget 2016/17 FTE	Comprises	
		Permanent Full time FTE	Permanent Part time FTE
Chief Executive Officer	5.5	4.0	1.5
Human Resources	13.1	12.0	1.1
Corporate Management	3.8	3.0	0.8
Information Technology	18.1	15.0	3.1
Financial Services	22.5	20.0	2.5
Administration & Corporate Projects	11.9	10.0	1.9
Commercial Services	9.0	9.0	-
Assets Management	2.0	2.0	-
Communities Management	2.0	2.0	-
Community Strengthening	32.2	20.0	12.2
Family Health Support Services	145.2	29.4	115.8
Arts & Culture	55.4	28.4	27.0
Compliance & Safety	63.8	44.1	19.7
Community Relations	34.1	15.1	19.0
Operations	146.6	141.7	4.9
Planning & Environment	26.1	23.0	3.1
Infrastructure	21.6	21.0	0.6
Facilities	10.0	10.0	-
Public Space & Leisure	13.4	10.7	2.7
Sustainable Assets	19.0	19.0	-
Peninsula Aquatic Recreation Centre	33.3	29.0	4.3
Pines Forest Aquatic Centre	0.6	0.6	-
<b>Total permanent staff</b>	<b>689.0</b>	<b>469.0</b>	<b>220.1</b>
Casual and other	84.8		
<b>Total staff</b>	<b>773.8</b>		

### 10.3.2 Materials and services (\$2.12 million increase)

Materials and services include the purchase of consumables and payments to contractors for the provision of services. Materials and services are forecast to increase by \$2.12 million in the proposed 2016-2017 Annual Budget compared to the 2015-2016 forecast, primarily due to contract expenses are increased based on CPI.

However a robust review was conducted by Councillors and management during the budget process which resulted in limited growth of costs in this area.

### 10.3.3 Bad and doubtful debt (\$0.28 million decrease)

Bad and doubtful debts are projected to decrease from the 2015-2016 forecast due to the outcome from the debt management review. Collectability of our debts is expected to return to normal levels in 2016-2017.

### 10.3.4 Depreciation and amortisation (\$1.51 million increase)

Depreciation relates to the usage of Council's property, plant and equipment and infrastructure assets including roads and drains. It is an accounting measure which attempts to allocate the value of an asset over its useful life. The increase of \$1.51 million for 2016-2017 is due mainly to the completion of the 2015-2016 capital works program and the full year effect of depreciation on the 2015-2016 capital works program. Refer to 'section 12. Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2016-2017 year.

### 10.3.5 Borrowing costs (\$0.02 million decrease)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. Interest expense is budgeted to be \$2.00 million reflecting the agreed borrowing arrangements in 2016-2017 to fund capital works projects. Council are not proposing any further borrowings during 2016-2017.

### 10.3.6 Other expenses (\$0.07 million decrease)

Other expenses relate to a range of administration and professional services including audit services, operating leases, contributions to community groups and other miscellaneous expenditure items. Other expenses are forecast to remain constant.

	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
Conferences, seminars and training	729	719	(10)
Court lodgement fees	514	375	(139)
Councillor expenses	362	372	10
Directors fees (PARC)	372	352	(20)
External auditor remuneration	107	113	6
Grants and contributions	784	1,010	225
Internal auditor remuneration	130	135	5
Operating leases	622	472	(150)
<b>Total other expenditure</b>	<b>3,619</b>	<b>3,546</b>	<b>(73)</b>

## 11. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2016-2017 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained.

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, plant and equipment.
- **Financing activities** – Refers to the cash generated or used in the financing of Council functions and include proceeds from and repayment of borrowings from financial institutions.

### 11.1 Budgeted cash flow statement

	Ref	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	11.1.1			
<i>Receipts</i>				
Rates and charges		107,872	112,897	5,025
Statutory fees and fines		5,055	5,355	300
User fees		18,889	21,491	2,602
Grants - operating		14,006	17,638	3,632
Grants - capital		3,181	3,765	584
Contributions - monetary		1,725	1,304	(421)
Other receipts		1,235	2,829	1,594
<i>Payments</i>				
Employee costs		(63,836)	(65,251)	(1,415)
Materials and services		(43,922)	(46,804)	(2,882)
Other payments		(4,408)	(3,296)	1,112
<b>Net cash provided by operating activities</b>		<b>39,797</b>	<b>49,928</b>	<b>10,131</b>
<b>Cash flows from investing activities</b>	11.1.2			
Payments for property, infrastructure, plant and equipment		(57,539)	(38,382)	19,157
Proceeds from sale of property, infrastructure, plant and equipment		2,290	1,311	(979)
<b>Net cash used in investing activities</b>		<b>(55,249)</b>	<b>(37,071)</b>	<b>18,178</b>
<b>Cash flows from financing activities</b>	11.1.3			
Finance costs		(1,992)	(2,008)	(16)
Proceeds from borrowings		9,818		(9,818)
Repayment of borrowings		(3,088)	(1,336)	1,752
<b>Net cash used in financing activities</b>		<b>4,738</b>	<b>(3,344)</b>	<b>(8,082)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(10,714)</b>	<b>9,513</b>	<b>20,227</b>
Cash and cash equivalents at the beginning of the financial year		48,071	37,357	(10,714)
<b>Cash and cash equivalents at end of the year</b>	11.1.4	<b>37,357</b>	<b>46,870</b>	<b>9,513</b>

### 11.1.1 Operating activities (\$10.13 million increase)

The \$10.13 million increase in cash inflows from operating activities is due mainly to a \$3.49 million increase in rates and charges and improved debt management, \$2.60 million increase in user fees as a result of improved trading at Peninsula Aquatic Recreation Centre and movements in current assets and liabilities. There has also been a \$3.96 million increase in Operating Grants as a result of a timing difference on receipt of the Victorian Grants Commission payments.

The net cash flows from operating activities does not equal the operating result 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.

	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
<b>Surplus (deficit) for the year</b>	<b>15,660</b>	<b>22,412</b>	<b>6,752</b>
Depreciation and amortisation	26,233	27,745	1,512
Net gain on disposal of property, infrastructure, plant and equipment	(1,413)	(1,311)	102
Borrowing costs	1,992	2,008	16
Contributions - non monetary	(800)	(800)	-
Net movement in current assets and liabilities	(1,874)	(128)	1,746
<b>Cash flows available from operating activities</b>	<b>39,798</b>	<b>49,926</b>	<b>10,128</b>

### 11.1.2 Investing activities (\$18.18 million decrease)

The decrease in net cash outflows from investing activities of \$18.18 million is primarily due to the decrease in capital works expenditure of \$19.16 million.

### 11.1.3 Financing activities (\$8.08 million increase)

The increase in net cash outflows from financing activities of \$8.08 million is primarily due to Council decision to not borrow any further funds in 2016-2017 for capital works expenditure.

## 11.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2017 it will have cash and investments of \$53.14 million, which has been restricted as shown in the following table.

Ref	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
<b>Total cash and investments</b>	<b>43,358</b>	<b>53,140</b>	<b>9,782</b>
Restricted cash and investments			
- Statutory reserves	(5,188)	(2,342)	2,846
- Trust funds and deposits	(5,178)	(5,411)	(233)
<b>Unrestricted cash and investments</b>	<b>32,992</b>	<b>45,387</b>	<b>12,395</b>
- Discretionary reserves	(10,969)	(15,662)	(4,693)
<b>Unrestricted cash adjusted for discretionary reserves</b>	<b>22,023</b>	<b>29,725</b>	<b>7,702</b>

### 11.2.1 Statutory reserves (\$2.34 million)

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

### 11.2.2 Trusts and Deposits (\$5.41 million)

These are monies held in trust and are to be refunded, and mainly constitute developer monies relating to the two major Development Contribution Plans which are refunded upon the completion of capital works.

### 11.2.3 Discretionary reserves (\$15.66 million)

Discretionary Reserves are funds set aside by Council for a specific purpose or project but not protected by statute.

### 11.2.4 Unrestricted cash and investments (\$45.39 million)

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants, 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.

## 11.3 Reserve fund balances for 2016-2017

The table below highlights Council's Reserve funds and the projected balance at 30 June 2017.

Projected Reserve Balances	Budget July 2016 Opening Balance	Transfers To Reserve	Transfers From Reserve	Budget June 2017 Closing Balance
Public resort and recreation	2,263	550	-	2,813
Native revegetation	1,156	233	-	1,389
Subdivision roadworks	133	-	-	133
Infrastructure assets	74	-	-	74
Carparking	10	-	-	10
Unexpended grant	1,460	-	-	1,460
Capital projects reserve	1,446	-	(1,295)	151
Strategic asset	15,819	7,613	-	23,432
Resource efficiency	78	-	-	78
LGFV sinking fund	2,537	2,537	-	5,074
<b>Totals</b>	<b>24,976</b>	<b>10,933</b>	<b>(1,295)</b>	<b>34,614</b>

#### 11.4. Impact of current year (2015-2016) on the 2016-2017 Annual Budget

This section of the report highlights the impact that outcomes in 2015-2016 have had on the adopted 2016-2017 Annual Budget. The figures utilised in this section adjust the net operating result calculated in accordance with accounting standards to include cash costs such as capital works and exclude non-cash transactions such as depreciation to reach an underlying cash result. The table below illustrates that Council is forecasting to complete 2016-2017 with an accumulated cash surplus outcome of \$0.50 million.

	Forecast 2015-2016 \$'000	Budget 2016-2017 \$'000	Variance \$'000
<b>Surplus/(deficit) for the year</b>	<b>15,660</b>	<b>22,411</b>	<b>6,751</b>
<b>Add back non-cash items:</b>			
Depreciation and amortisation	26,233	27,745	1,512
Contributions - non-monetary	(800)	(800)	
Write down value of assets disposed	877		(877)
	<b>26,310</b>	<b>26,945</b>	<b>635</b>
<b>Less non-operating cash items:</b>			
Capital works expenditure	57,539	38,382	(19,157)
Transfers to/(from) reserves	9,427	9,638	211
Proceeds from borrowing	(9,818)		9,818
Repayment of borrowings	3,088	1,336	(1,752)
	<b>60,236</b>	<b>49,356</b>	<b>(10,880)</b>
<b>Cash surplus/(deficit) for the year</b>	<b>(18,266)</b>		<b>18,266</b>
<b>Accumulated cash surplus/(deficit) b/fwd</b>	<b>18,766</b>	<b>500</b>	<b>(18,266)</b>
<b>Accumulated cash surplus/(deficit) c/fwd</b>	<b>500</b>	<b>500</b>	

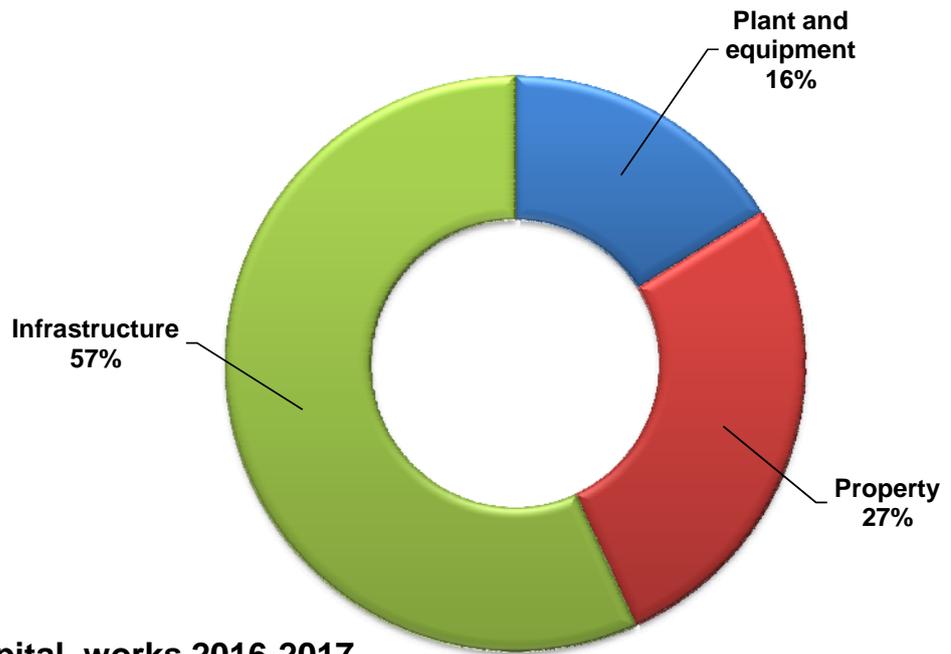
## 12. Analysis of capital budget

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

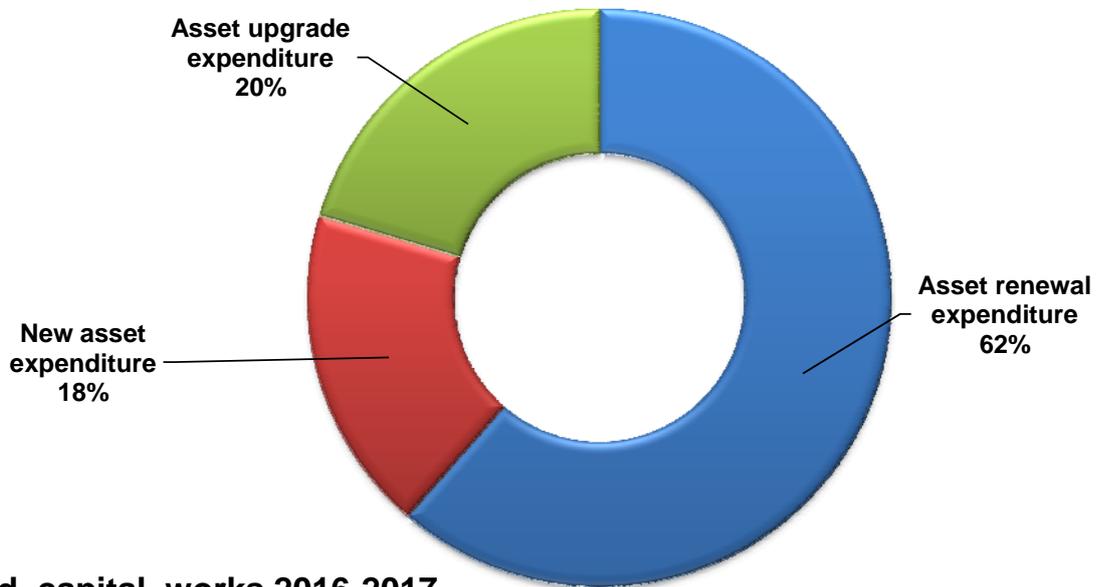
### 12.1 Capital works

	Ref	Forecast 2015-2016 \$'000	Budget 2016-2017 \$'000	Variance \$'000
<b>New works</b>				
<b>Property</b>	12.1.1			
Land		7,354	-	(7,354)
Buildings		16,722	10,190	(6,532)
Building improvements		1,281	572	(709)
<b>Total property</b>		<b>25,357</b>	<b>10,762</b>	<b>(14,595)</b>
<b>Plant and equipment</b>	12.1.2			
Plant, machinery and equipment		2,410	2,858	448
Fixtures, fittings and furniture		1,038	544	(494)
Computers and telecommunications		2,701	2,358	(343)
Library books		700	700	0
<b>Total plant and equipment</b>		<b>6,849</b>	<b>6,460</b>	<b>(388)</b>
<b>Infrastructure</b>	12.1.3			
Roads		4,689	3,303	(1,386)
Bridges		1,555	905	(650)
Footpaths and cycleways		2,026	4,271	2,245
Drainage		1,036	1,490	454
Recreational, leisure and community facilities		4,201	40	(4,161)
Waste management		150	150	-
Parks, open space and streetscapes		11,000	10,270	(730)
Off street car parks		1,946	1,575	(371)
Other infrastructure		237	655	418
<b>Total infrastructure</b>		<b>26,840</b>	<b>22,660</b>	<b>(4,180)</b>
<b>Total capital works expenditure</b>		<b>59,046</b>	<b>39,882</b>	<b>(19,164)</b>
<b>Represented by:</b>				-
New asset expenditure	12.1.4	21,823	7,252	(14,571)
Asset renewal expenditure	12.1.4	23,545	24,002	457
Asset expansion expenditure	12.1.4	3,199	500	(2,699)
Asset upgrade expenditure	12.1.4	10,479	8,128	(2,351)
<b>Total capital works expenditure</b>		<b>59,046</b>	<b>39,882</b>	<b>(19,164)</b>

# FRANKSTON CITY COUNCIL 2016-2017 BUDGET



Budgeted capital works 2016-2017



Budgeted capital works 2016-2017

**12.1.1 Property (\$10.76 million)**

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

*Significant projects include:*

- \$4,635,000 Structured Recreation (\$2,135,000 Council contribution) including;
  - \$1,300,000 Ballam Park Pavilion - Design and Construction of a new pavilion (\$650,000 Council contribution)
  - \$1,350,000 Carrum Downs Recreation Reserve Pavilion – Construction of a new pavilion (\$300,000 Council Contribution)
  - \$500,000 Frankston Basketball Stadium Expansion for ongoing design stages – (Total project budget of \$12.45 million)
  - \$610,000 McClelland Reserve Soccer Pavilion for the completion of the extension to the existing pavilion (\$510,000 Council contribution)
- \$1,105,000 Public Toilet Plan – Funds have been allocated to rationalise existing toilets along the Frankston foreshore through both demolishing redundant toilets and replacing existing toilets. The aim is to make all toilets more modern, energy efficient and less maintenance intensive (\$1,105,000 Council contribution)

**12.1.2 Plant and equipment (\$6.46 million)**

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

*Significant projects include:*

- Plant & Equipment Replacement - \$1,593,000 (\$1,593,000 Council contribution)
- Light Vehicle Replacement - \$1,200,000 (\$1,200,000 Council contribution)
- Library Collection - \$700,000 (\$700,000 Council contribution)
- Computers and Telecommunications - \$2,408,257 (\$2,393,257 Council contribution)

**12.1.3 Infrastructure (\$22.66 million)**

Infrastructure includes roads, bridges, footpaths and cycle ways, drainage, parks, open space and streetscapes, car parks and other structures.

*Significant projects include:*

- \$2,500,000 Playground Strategy Implementation. Renewal of playgrounds in local, regional and district parks (\$2,500,000 Council contribution)
- Budget allocation to pathways including footpaths and shared pathways amount to \$1,284,000 million. These projects have been identified from a prioritised list in the recently published Frankston Paths Development Plan (Nov 2015). (\$863,240 Council contribution)
- \$1,220,000 Frankston Waterfront Safety Renewal – including boat ramps, playground, shade structures and furniture (\$1,300,000 Council contribution)
- \$950,000 Baxter Park Soccer Car Park Upgrade (\$950,000 Council contribution)
- \$600,000 Frankston BMX Track – Stage 1 upgrade to the existing track (\$500,000 Council contribution)
- \$460,000 Warrandyte Road Widening and Reconstruction (North) (\$460,000 Council contribution)
- \$400,000 Karingal Place Neighbourhood House – Playground Redevelopment (\$400,000 Council contribution)
- \$400,000 Dandenong Road East Drainage Strategy (\$400,000 Council contribution)
- \$370,000 Foot Street Reconstruction Stage 2 (\$370,000 Council contribution)

**12.1.4 Asset renewal (\$24.00 million), new assets (\$7.25 million), asset upgrade (\$8.13 million) and asset expansion (\$0.50 million)**

A distinction is made between expenditure on new assets, expenditure on asset renewal and asset upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, which improves the service potential or the life of the asset. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

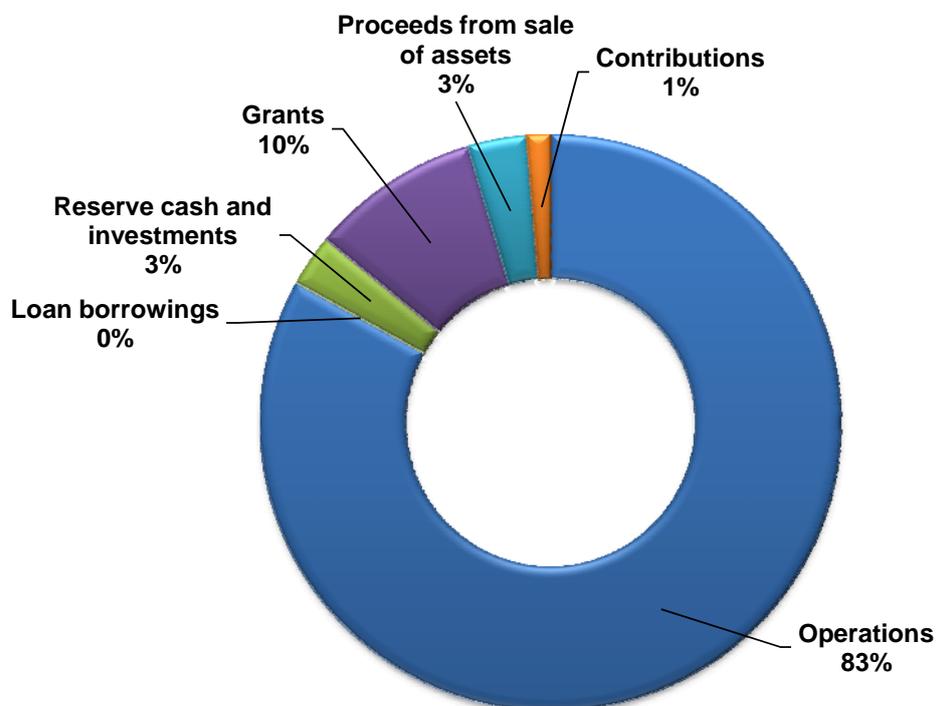
*Significant renewal projects funded from Council contributions include:*

- Road Renewal Program - \$2.76 million (\$1.45 million grants)
- Facilities Renewal Program - \$5.15 million
- Bridge Renewal Program - \$0.905 million
- Footpath Renewal Program - \$1.50 million
- Park Furnishings and Equipment renewal - \$2.70 million
- Light Vehicle Replacement - \$1.20 million (\$720,000 plant sales)
- Plant & Equipment Replacement - \$1.59 million (\$391,000 plant sales)
- Car Park renewal - \$0.62 million
- Library Collection - \$0.70 million
- Drainage Renewal - \$1.49 million

## 12.2 Funding sources

The table below highlights the source of funds for the various total expenditure amounts. It highlights that funding from rate revenue for capital expenditure in 2016-2017 is \$33.13 million.

Sources of funding	Ref	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
<b>New works</b>				
<b>Current year funding</b>				
Grants	12.2.1	3,181	3,765	584
Contributions	12.2.2	812	521	(291)
Loan borrowings	12.2.3	9,618		(9,618)
Council cash				
- operations	12.2.4	39,476	33,129	(6,347)
- proceeds from sale of assets	12.2.5	1,187	1,311	124
- reserve cash and investments	12.2.6	4,772	1,156	(3,616)
<b>Total new works</b>		<b>59,046</b>	<b>39,882</b>	<b>(19,164)</b>
<b>Total funding sources</b>		<b>59,046</b>	<b>39,882</b>	<b>(19,164)</b>



Budgeted total funding sources 2016-2017

**12.2.1. Grants - capital (\$3.76 million)**

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has increased by \$0.58 million compared to 2015-2016.

Significant grants included in the proposed 2016-2017 Annual Budget are:

• Carrum Downs Recreation Reserve – Pavilion and Carpark	\$1,050,000
• Ballam Park Pavilion Upgrade	\$650,000
• Frankston and District Basketball Association	\$500,000
• McClelland Reserve Soccer Pavilion	\$100,000

**12.2.2 Contributions (\$0.52 million)**

Contributions represent contributions by developers and other parties in relation to capital works.

**12.2.3 Loan borrowings (\$Nil)**

The adopted 2016-2017 Annual Budget does not draw down on borrowings.

**12.2.4 Council cash - operations (\$33.13 million)**

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$33.13 million will be generated from operations to fund the 2016-2017 capital works program. This amount is funded from cash generated from operating activities represented in the Cash Flow Statement (\$49.92 million) as set out in section 5 of this budget.

**12.2.5 Council cash - proceeds from sale of assets (\$1.31 million)**

Proceeds from sale of assets include the sale of heavy plant and motor vehicles in accordance with Council's fleet renewal policy.

**12.2.6 Council cash - reserve cash and investments (\$1.16 million)**

The adopted 2016-2017 Annual Budget utilises available reserve funds for the funding of various capital projects, including the following significant applications:

• City Wide Pathway and Cycle Way Plan Development	\$890,232
• Carrum Downs Recreation Reserve – Pavilion and Carpark	\$200,000
• Footpaths	\$215,545

## 13. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2015-2016 and 2016-2017. It also considers a number of key performance indicators.

### 13.1 Budgeted balance sheet

	Ref	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
<b>Current assets</b>	13.1.1			
Cash and cash equivalents		36,028	45,974	9,946
Trade and other receivables		13,648	14,262	614
Other financial assets		6,001	6,271	270
Inventories		190	199	9
Other assets		1,255	1,311	56
<b>Total current assets</b>		<b>57,122</b>	<b>68,017</b>	<b>10,895</b>
<b>Non-current assets</b>	13.1.1			
Trade and other receivables		1,195	1,249	54
Intangible assets				
Property, infrastructure, plant and equipment		1,273,621	1,285,070	11,449
<b>Total non-current assets</b>		<b>1,274,816</b>	<b>1,286,319</b>	<b>11,503</b>
<b>Total assets</b>		<b>1,331,938</b>	<b>1,354,336</b>	<b>22,398</b>
<b>Current liabilities</b>	13.1.2			
Trade and other payables		15,550	15,939	389
Provisions		16,722	17,169	447
Interest-bearing loans and borrowings		1,336	773	(563)
<b>Total current liabilities</b>		<b>33,608</b>	<b>33,881</b>	<b>273</b>
<b>Non-current liabilities</b>	13.1.2			
Provisions		1,333	1,358	25
Interest-bearing loans and borrowings		35,864	35,091	(773)
<b>Total non-current liabilities</b>		<b>37,197</b>	<b>36,449</b>	<b>(748)</b>
<b>Total liabilities</b>		<b>70,805</b>	<b>70,330</b>	<b>(475)</b>
<b>Net assets</b>		<b>1,261,133</b>	<b>1,284,006</b>	<b>22,873</b>
<b>Equity</b>	13.1.3			
Accumulated surplus		608,742	621,977	13,235
Reserves		652,391	662,029	9,638
<b>Total equity</b>		<b>1,261,133</b>	<b>1,284,006</b>	<b>22,873</b>

#### 13.1.1 Current assets (\$10.89 million increase) and Non-Current Assets (\$11.50 million increase)

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 remain constant throughout the 2016-2017 year.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget. Other assets include items such as prepayments for expenses that Council has paid in advance of service delivery and other revenues due to be received in the next 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles and equipment which has been built up by Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$39.19 million of new assets), contribution of non-monetary assets, depreciation of assets (\$27.74 million) and through the sale of property, plant and equipment.

### **13.1.2 Current Liabilities (\$0.27 million increase) and Non-Current Liabilities (\$0.75 million decrease)**

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain consistent with 2015-2016 levels.

Provisions include accrued long service leave, annual leave. These employee entitlements are only expected to increase marginally due to more active management of entitlements.

Interest-bearing loans and borrowings are borrowings of Council.

### **13.1.3 Equity (\$22.87 million increase)**

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations.
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed.
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. The increase in accumulated surplus of \$13.23 million results directly from the surplus for the year.

During the year an amount of \$3.73 million (net) is budgeted to be transferred to accumulated surplus to other reserves. This reflects the transfer of loan borrowings to partly fund the capital works program. This is a transfer between equity balances only and does not impact on the total balance of equity.

### **Working Capital (\$10.17 million increase)**

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

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

	2015-2016 Forecast \$'000	2016-2017 Budget \$'000	Variance \$'000
<b>Current Assets</b>	<b>58,516</b>	<b>68,980</b>	<b>10,464</b>
<b>Current Liabilities</b>	<b>34,131</b>	<b>34,420</b>	<b>289</b>
<b>Working Capital</b>	<b>24,385</b>	<b>34,560</b>	<b>10,175</b>
Restricted cash and investment current assets			
- Statutory reserves	(5,188)	(2,342)	2,846
- Trust funds and deposits	(5,178)	(5,411)	(233)
<b>Unrestricted working capital</b>	<b>14,019</b>	<b>26,807</b>	<b>12,788</b>

\* Unrestricted working capital may also be committed to completion of carry forward capital works. Refer to table 6.2 for funding of capital works carried forward.

### 13.2 Key assumptions

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

- A total of 98.0 per cent of total rates and charges raised will be collected in the 2016-2017 year
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment cycle is 30 days
- Other debtors and creditors to remain consistent with 2015-2016 levels
- Employee entitlements to be increased by the Enterprise Bargaining Agreement outcome offset by the impact of more active management of leave entitlements of staff
- Repayment of loan principal to be \$1.34 million
- Total capital expenditure to be \$39.88 million

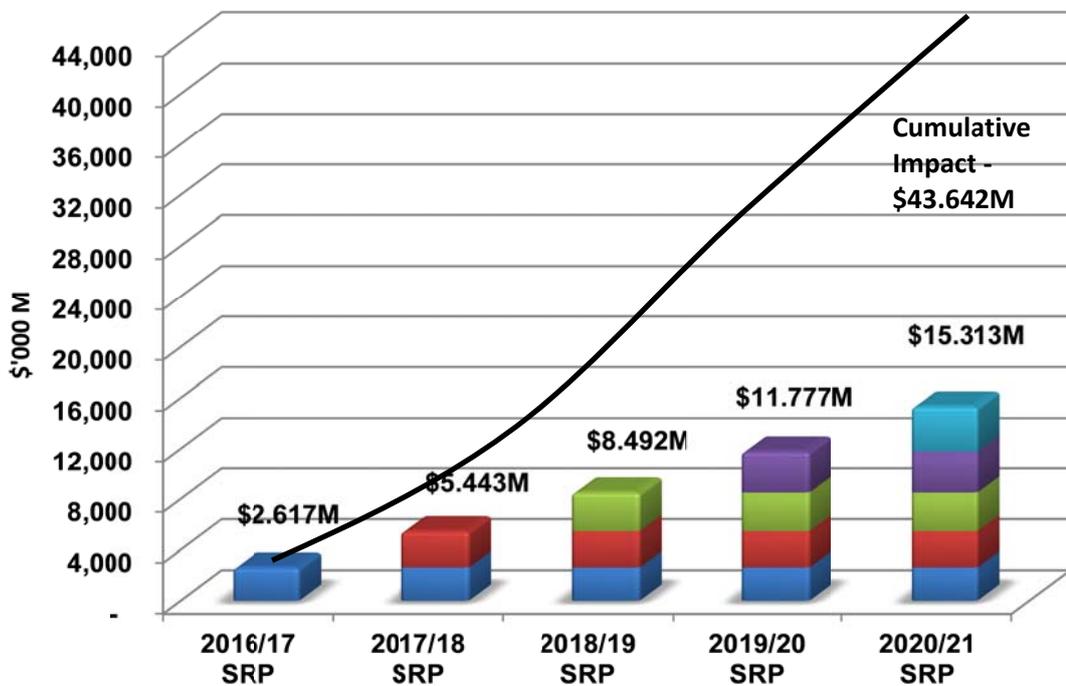
## 14. Strategic resource plan

Council is required by the Local Government Act to develop a Strategic Resource Plan (SRP) which includes an indicative four year budget. Sections 14 to 16 of this budget (set out on the following pages) explain a possible long term financial plan. However it should be noted that this draft has not been adopted by Council and the indicative rating and debt strategies it contains have not been endorsed by Council.

During the next four years, Council will face considerable pressure on its financial position particularly in the face of ongoing cost-shifting by State and Federal Governments in addition to the reduction in State and Federal Government grants to the entire Victorian local government sector that is predicted over the coming years. This will push all Victorian councils to consider greater reliance on rates to fund existing and new services and programs.

It is noted that the State Government has introduced legislation that prevents Councils from raising rates above inflation levels from 1 July 2016. Victorian councils will be forced to cap rates at the consumer price index (CPI) which has been declared for 2016-2017 at 2.50 per cent. The CPI (based on a basket of common household goods and services that Council purchases very little of) is a very poor index of the cost of providing Council services that is very heavily based on labour costs.

The financial gap between the previous editions of Council's Long Term Financial Plan (LTFP) and the revised plan in terms of rate revenue over the next four year period is approximately \$28 million; this increases to \$43 million over a five year period. This reduction will have a severe impact on Council's ability to maintain services, deliver key initiatives and improvements and maintain adequate levels of capital expenditure.



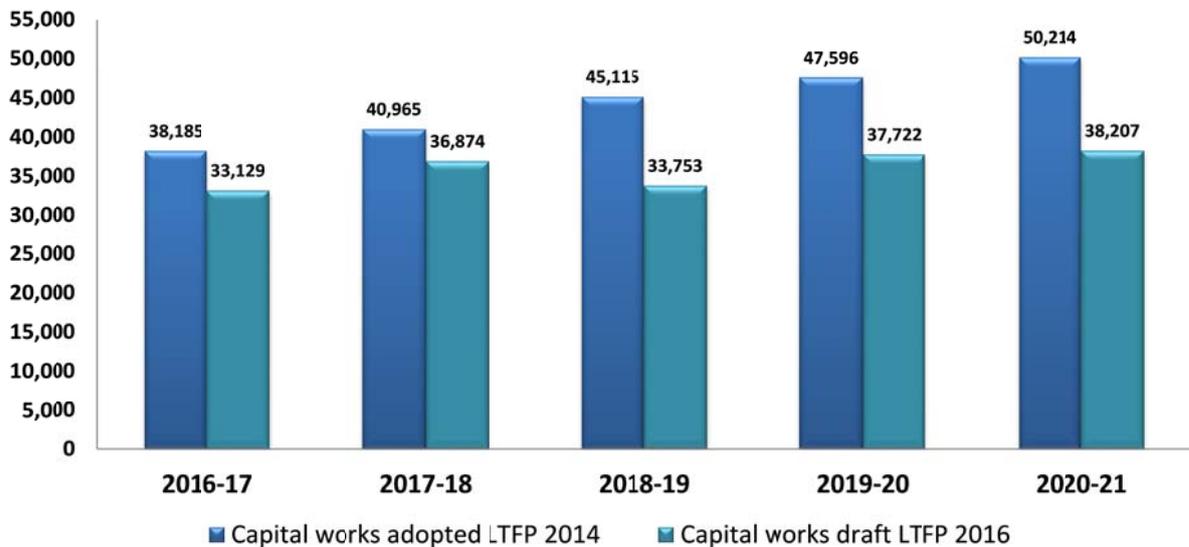
SRP - Strategic Resource Plan estimates

A number of different factors have now been built into this budget which has changed the outcomes significantly. They include the following:

- The first year of rate capping has essentially required Council to make changes to the 2016-2017 Budget of approximately \$2.6 million which has been achieved. This has a consequent flow on impact to future years.
- Material costs which were previously forecast to increase at a CPI estimate of 2.9 per cent have been reduced to a lower CPI estimate of 2.5 per cent matching the forecast increase in Council rates.
- Significant reductions have been achieved in employee costs. The previous LTFP was based on increases per annum of 2.9 per cent, with an additional 0.5 per cent required to fund banding increments. This budget reduces this amount to 1.4 per cent plus 0.5 per cent for banding increments.

The amounts proposed to be available for capital funding (from Council operations) in future years are illustrated below.

**Capital works funded from operational surplus**  
(Adopted 2014 LTFP compared to Draft 2016 LTFP)



*NB: The actual amount of capital expenditure will vary significantly from year to year depending on capital grant revenue, loan funds and use of Council reserves. It is important to note that this graph is based on the amount of funding that Council can apply to capital expenditure from its operating result. The above figures are further subject to Council achieving savings targets outlined below or successfully applying for a variation to the cap in future years.*

It is also noted that in 2015/2016, Council's debt will peak at \$37.2 million. While this debt has been used to deliver key community assets such as the Peninsula Aquatic Recreation Centre (PARC), Frankston Yacht Club and the Frankston Regional Resource and Recycling Centre (FRRRC), the cost of servicing this debt in a rate capping environment will severely limit Council's ability to provide further improved facilities and services.

## 14.1 Plan development

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

Council has prepared a SRP for the five years 2016-2017 to 2020-2021 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next five years.

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

- The achievement of a prudent balance between meeting the service needs of the Frankston City community and remaining financially sustainable for future generations.
- An enhanced funding level for capital works in general and meet the asset renewal requirements as outlined in asset management planning.
- To maintain a sustainable Council in an environment where Council must either constrain its net operational costs or reduce funds available to capital expenditure due to the capping of Council rates and low increases in government grant funding.
- Achieve a balanced budget on a cash basis.

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

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

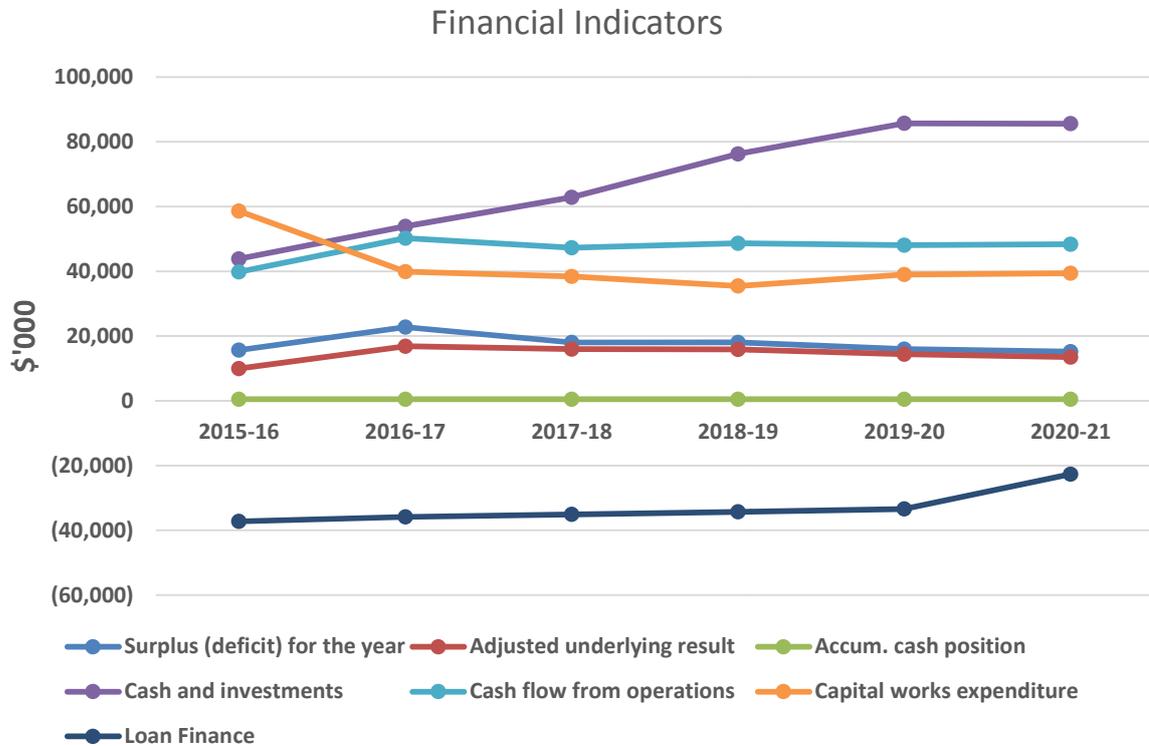
The SRP is updated annually through a rigorous process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.

## 14.2 Financial resources

The following table summarises the key indicative financial results for the five years 2016-2017 to 2020-2021. Section 3 includes a more detailed analysis of the financial resources to be used over the five year period.

Indicator	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Surplus (deficit) for the year	15,660	22,412	17,415	17,049	14,694	13,462
Adjusted underlying result	9,954	16,543	15,296	14,884	13,034	11,797
Accum. cash position	501	500	500	500	500	500
Cash and investments	43,358	53,140	61,735	74,815	83,857	83,327
Cash flow from operations	39,797	49,927	46,938	48,287	47,688	47,964
Capital works expenditure	59,046	39,882	38,465	35,463	39,024	39,447
Loan Finance	(37,200)	(35,864)	(35,090)	(34,273)	(33,413)	(22,682)

Frankston City Council is continually reviewing and ensuring that appropriate service levels are provided to the Frankston City community. A focus of the budget development has been on doing the same for less. Any increase in expenditure / service levels has been offset with savings in areas with discretionary spending.



The key outcomes of the SRP are as follows:

- **Financial position (Section 11)** - Cash and investments is forecast to increase marginally over the five year period from \$53.1 million to \$83.5 million, which indicates a balanced budget on a cash basis in each year.
- **Rating levels (Section 15)** – Modest rate increases are forecast over the five years at an average of 2.5%.
- **Service delivery strategy (Section 16)** – Service levels have been maintained throughout the five year period. Despite this, operating surpluses are forecast during this period however the surplus reduces as a result of rate capping. By excluding the effects of capital items such as capital grants and contributions, the adjusted underlying result is a surplus and again reduces over the five year period. The adjusted underlying result is a measure of financial sustainability and is an important measure as once-off capital items can often mask the operating result
- **Borrowing strategy (Section 16)** – Borrowings are forecast to reduce from \$35.9 million to \$22.7 million over the five year period. This is on the basis that there are no new borrowings during the term of the LTFP.
- **Infrastructure strategy (Section 16)** - Capital expenditure over the five year period is expected to total \$192.3 million at an average of \$38.5 million per year.

## 15. Rating Information

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

### 15.1 Rating context

In developing the Strategic Resource Plan, rates and charges were identified as an important source of revenue, accounting for 67% 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 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 Frankston community.

Where considered appropriate, Council will utilise the range of rates and charges prescribed under Section 155 of the Act to spread the rate burden across the municipality to recover the costs for the provision of specific services. This will include the annual declaration of a municipal charge to cover some of the administrative costs of Council and a service charge for the full cost recovery of the collection and disposal of refuse.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly every second year when applying new valuations to all properties within the municipality which results in individual rate payers facing varied increases in their rate payments.

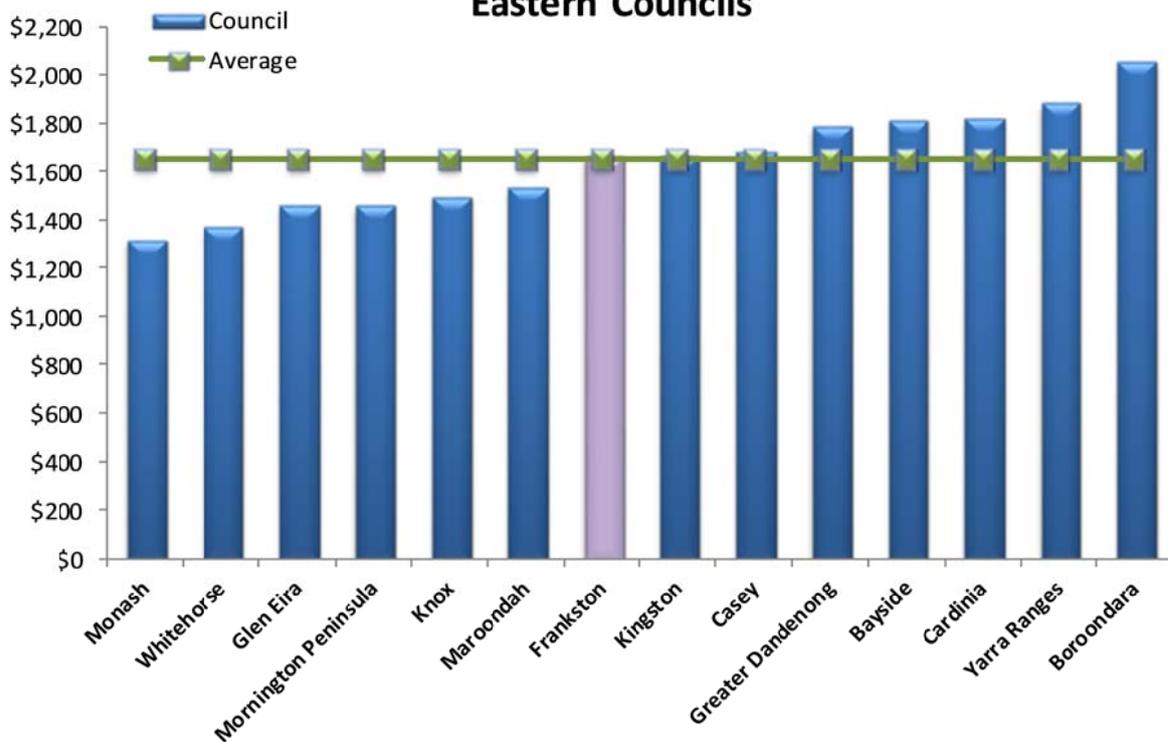
Council needs to increase its revenue contributions from rates if it is in the long term to continue to provide services which are at least of a standard comparable to those offered elsewhere in the Melbourne metropolitan area. Otherwise it will not be able to meet the challenge of being able to be an outstanding Victorian regional capital on the bay.

The following highlights benchmark data comparing Frankston City Council's level of rating to that of fourteen comparable Eastern Melbourne Councils and the likely future percentage increases in the quantum of Council's rate revenue.

Benchmark data highlights that Frankston City Council has a slightly higher rating compared to its regional grouping. The below graph displays that on a rates per assessment basis (for the 2014/15 financial year), Council's \$1,668 per assessment is the seventh lowest of the group and slightly higher than the average amount of \$1,648 per assessment.

### Rates per Assessment 2014/2015

#### Eastern Councils



The figures highlighted above are drawn from the 2014-2015 Annual Reports of the various Councils and given Council's rate increase in 2016-2017 of 2.50%, the variance amount below the average figure is expected to have been maintained.

#### 15.2 Current year rates and charges

It will be necessary to achieve future revenue growth while containing costs in order to maintain robust capital works programs and achieve a financially sustainable position in the future.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the general rate and municipal charge will increase by 2.50% and the waste collection charge by 0.00%. This will raise total rate and charges for 2016-2017 of \$111.37 million, including \$0.70 million generated from supplementary rates.

The table below highlights the indicative rate increase over the forward 5 year period. These forward indexes are indicative only, are reviewed on an annual basis, and are subject to change. The remaining years of the SRP includes base rate increased aligned to the proposed rate cap of consumer price index.

General Rate	Municipal Charge	General Waste Charge	Green Waste Charge	Total Rates Raised
%	%	%	%	\$'000
5.50	5.50	5.50	5.50	107,872
2.50	2.50	10.00	-	112,897
2.50	2.50	2.50	2.50	115,465
2.50	2.50	2.50	2.50	118,701
2.50	2.50	2.50	2.50	121,315
2.50	2.50	2.50	2.50	123,991

### 15.3 Rating Structure

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

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

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

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used. In previous financial years, Frankston City Council has established a general rate in the dollar to be applied to the valuation of all residential assessments in order to levy rates. It has further raised a number of differential rates that vary from the general rate in respect of certain rating types. This distinction is based on the concept that business should pay a fair and equitable contribution to rates, taking into account the benefits those properties derive from the local community. The table below highlights the variance from the general rates for the 2016-2017 financial year.

Differential Type	General Rate	General Rate
Rate for Retirement Villages	- 25.00%	- 25.00%
Rate for Commercial Land	+ 25.00%	+ 25.00%
Rate for Industrial Land	+ 25.00%	+ 25.00%
Rate for Vacant Residential Land	+ 25.00%	+ 25.00%
Rate for Acacia Estate	+21.60%	+10.40%
Rate for Farm Land	- 20.00%	- 20.00%
Rate for Derelict Land	+ 200.00%	+ 200.00%

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

The existing rating structure also comprises a rate concession for recreational land. These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to levy the rate for recreational lands at "such amount as the municipal council thinks reasonable having regard to the services provided by the municipal council in relation to such lands and having regard to the benefit to the community derived from such recreational lands". Council also levies a municipal charge and a waste collection charge as allowed under the Act.

The following table summarises the rates to be made for the 2016-2017 year. A more detailed analysis of the rates to be raised is contained in Appendix B "Statutory Disclosures".

Rate Type	How applied	2015-2016	2016-2017	Total Raised \$'000	Change
Ordinary Rate	Cents in \$ of CIV	0.3118	<b>0.2874</b>	66,543	-7.8%
Rate for Retirement Villages	Cents in \$ of CIV	0.2339	<b>0.2156</b>	262	-7.8%
Rate for Commercial Land	Cents in \$ of CIV	0.3897	<b>0.3593</b>	7,612	-7.8%
Rate for Industrial Land	Cents in \$ of CIV	0.3897	<b>0.3593</b>	4,812	-7.8%
Rate for Vacant Residential Land	Cents in \$ of CIV	0.3897	<b>0.3593</b>	899	-7.8%
Rate for Acacia Heath	Cents in \$ of CIV	0.3632	<b>0.3348</b>	500	-7.8%
Rate for Farm Land	Cents in \$ of CIV	0.2494	<b>0.2299</b>	99	-7.8%
Rate for Derelict Land	Cents in \$ of CIV	0.9353	<b>0.8622</b>	54	-7.8%
Rate for Cultural & Recreational	Cents in \$ of CIV	various	<b>various</b>	213	various
Rate by agreement (including Baxter Village)	Cents in \$ of CIV	various	<b>various</b>	133	various
Municipal Charge	\$ per property	\$148.85	<b>\$152.55</b>	9,318	2.5%
Residential Bin 240L	\$ per property	\$431.30	<b>\$474.40</b>	7	10.0%
Residential Bin 120L	\$ per property	\$286.50	<b>\$315.20</b>	11,981	10.0%
Residential Bin 80L	\$ per property	\$228.20	<b>\$251.00</b>	4,300	10.0%
Residential Bin 120L (Fortnightly Pickup)	\$ per property	\$266.50	<b>\$295.20</b>	115	10.8%
Residential Bin 80L (Fortnightly Pickup)	\$ per property	\$208.20	<b>\$231.00</b>	81	11.0%
Green Waste Bin	\$ per property	\$132.80	<b>\$132.80</b>	4,886	-
Commercial Bin 120L (Incl.GST)	\$ per property	\$315.20	<b>\$346.77</b>	287	10.0%
Commercial Bin 80L (Incl.GST)	\$ per property	\$251.00	<b>\$276.08</b>	52	10.0%
Commercial Recycling Bin (Incl.GST)	\$ per property	\$168.40	<b>\$185.23</b>	13	10.0%
Additional Residential Recycling Bin	\$ per property	\$50.00	<b>\$50.00</b>	31	-

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

#### 15.4 General revaluation of properties

During the 2015-2016 year, a revaluation of all properties within the municipality was carried out and will apply from 1 July 2016 for the 2016-2017 year. The outcome of the general revaluation has been a significant change in property valuations throughout the municipality. Overall, property valuations across the municipality have increased by 11.4%. Of this increase, residential properties have increased by 12.7%, commercial properties by 4.5% and industrial properties by 1.7%.

Suburb	% Growth
Carrum Downs	7.45%
Frankston	11.61%
Frankston North	16.80%
Frankston South	12.96%
Langwarrin	10.45%
Langwarrin South	5.35%
Sandhurst	11.85%
Seaford	16.02%
Skye	10.80%

In view of the outcomes of the general revaluation of all properties within the Council's municipal district during the 2015-2016 year, Council has chosen not to make any changes to the existing rate differential. In aggregate, total rates and charges will increase by 3.4% (general rates and municipal charges (2.5%), green waste charges (0.0%) and general waste charges (10.00%)) compared to 2015-2016. This will be achieved by reducing the rate in the dollar to offset the 11.4% increase in property valuations across the municipality following the general revaluation.

## 16. Summary of other strategies

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

### 16.1 Borrowings

The use of debt funding for the provision of major community assets that will provide community benefit over a number of years is considered sound practice and governments at all levels have regularly enacted this approach. The use of debt funding enables the cost of community assets to be spread inter-generationally and smooths the impact of the borrowings on the long term financial structure for the Council.

Frankston City Council has clearly endorsed policies in relation to the undertaking of borrowings to fund major projects which have been reviewed and endorsed by Council. This includes clear definition of the types of projects that can be funded and the financial governance ratios that must be met in undertaking any borrowings. The Victorian Government principles on loan borrowing are also referenced for further validation of any proposed borrowings.

The table below sets out proposed / future borrowings, based on the forecast position of Council as at 30 June 2017.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2015/16	9,818	3,088	1,992	37,200
2016/17	-	1,336	2,008	35,864
2017/18	-	773	1,962	35,091
2018/19	-	818	1,917	34,273
2019/20	-	860	1,872	33,413
2020/21	-	10,732	1,376	22,681

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

Borrowings	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
New borrowings	9,818					
Principal paid	3,088	1,336	773	818	860	10,732
Interest paid	1,992	2,008	1,962	1,917	1,872	1,376
Balance 30 June	37,200	35,863	35,089	34,272	33,412	22,681

### 16.2 Infrastructure

The management of Council's assets is an integral component of Council's Long Term Financial Plan and one that poses significant challenges, not only for this Council, but for all Victorian municipalities. Council is developing an Asset Management Strategy for its long-term infrastructure based on the knowledge provided by various Asset Management plans which sets out the capital expenditure requirements of the Council for the next 10 years by class of assets and is a key input into its long term financial plan. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations.

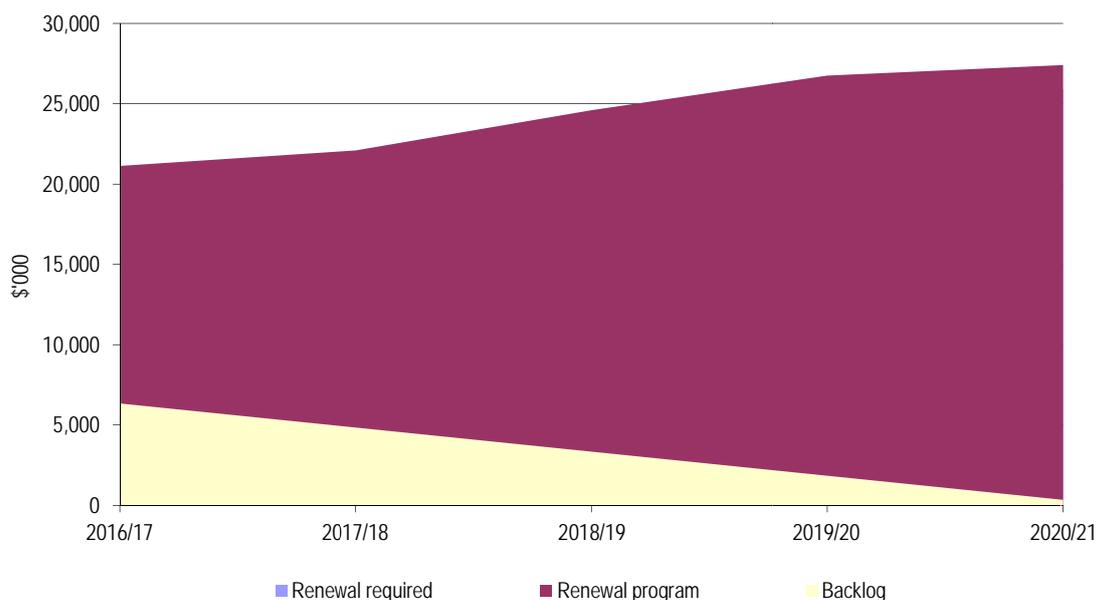
The strategy has been developed through a rigorous process of consultation and evaluation. The key aspects of the process are as follows:

- Long-term capital planning process which integrates with the Council Plan, the long-term financial plan and the annual budget process.
- Identification of capital projects through the preparation of asset management plans.
- Prioritisation of capital projects within classes of assets on the basis of evaluation criteria.
- Methodology for allocating annual funding to classes of capital projects.
- Business Case templates for officers to document capital project submissions.

A key objective of the Asset Management Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to assist renewal, then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

### Future asset renewal requirements

Council is endeavouring to provide a sufficient level of annual funding to meet ongoing asset renewal needs. The backlog will be addressed within the 10 year Capital Program and no additional levy or rate increase is required from 2016-2017 onwards for this purpose. The graph below sets out the required and actual asset renewal from 2016-2017 to 2020-2021.



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

Capital Program	Forecast	Budget	Strategic Resource Plan Projections			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Grants	3,181	3,765	515	515		
Contributions	812	521				
Proceeds from sale of assets	1,187	1,311	1,076	1,195	1,302	1,240
Borrowings	9,618					
Investment reserves	4,772	1,156				
Restricted cash and investments						
Council operations	39,476	33,129	36,874	33,753	37,722	38,207
<b>Total capital program</b>	<b>59,046</b>	<b>39,882</b>	<b>38,465</b>	<b>35,463</b>	<b>39,024</b>	<b>39,447</b>



## 2016-2017 Annual Budget

### **Appendices**

The following appendices include voluntary and statutory disclosures of information which provide support for the analysis contained in Sections 1 to 11 of this report.

This information has not been included in the main body of the budget report in the interests of clarity and conciseness. While the budget report needs to focus on the important elements of the budget and provide appropriate analysis, the detail upon which the annual budget is based should be provided in the interests of open and transparent local government.

The contents of the appendices are summarised below:

Appendix A	Fees and charges schedule
Appendix B	Budget process
Appendix C	Detailed capital projects



## 2016-2017 Annual Budget

### **Appendix A**

# Fees and charges schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charges in respect to various goods and services provided during the 2016-2017 year.

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
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### OPERATIONS

#### Waste

Green Waste Fees - Full Year	PER BIN	132.80	132.80	-
Green Waste Fees - 3/4 Year	PER BIN	99.60	99.60	-
Green Waste Fees - 1/2 Year	PER BIN	66.40	66.40	-
Green Waste Fees - 1/4 Year	PER BIN	33.20	33.20	-
Commercial and Duplicate Bins - Full Year	PER BIN	286.50	286.50	-
Commercial and Duplicate Bins - 3/4 year	PER BIN	214.90	214.90	-
Commercial and Duplicate Bins - 1/2 year	PER BIN	143.30	143.30	-
Commercial and Duplicate Bins - 1/4 year	PER BIN	71.70	71.70	-
At Call Waste Service	PER COLLECTION		180.00	180.00

#### Frankston Regional Recycling and Recovery Centre

Hard Waste per cubic metre Resident	PER CUBIC METRE	-	65.00	65.00
Hard Waste per cubic metre Non Resident	PER CUBIC METRE	-	75.00	75.00
Soil/Concrete/Bricks per cubic metre	PER CUBIC METRE	-	50.00	50.00
Green Waste per cubic metre	PER CUBIC METRE	-	35.00	35.00
Tyres Car	PER ITEM	-	9.00	9.00
Tyres Car with rim	PER ITEM	-	15.00	15.00
Tyre Light Truck	PER ITEM	-	15.00	15.00
Tyre Light Truck with rim	PER ITEM	-	20.00	20.00
Tyre Large Truck	PER ITEM	-	25.00	25.00
Tractor	PER ITEM	-	100.00	100.00
Motor Oil per litre Non Resident	PER LITRE	-	0.50	0.50
Christmas Tree	PER ITEM	-	5.00	5.00
Mattresses	PER ITEM	-	25.00	25.00
Paint per litre	PER LITRE	-	5.00	5.00

#### Parks

Parks Crossing Fees	PER APPLICATION	530.25	530.25	-
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#### Foreshore

Boat Launching Fees - Resident	PER PERMIT	90.00	94.00	4.00
Boat Launching Fees - Non resident	PER PERMIT	160.00	165.00	5.00
Boat Launching Fees - Replacement permits	PER PERMIT	11.00	11.50	0.50
Ticket Machines	PER DAY	14.00	14.50	0.50
Boat Launching Fees - Resident Discounted 3 yr in Advance Payment	PER APPLICATION	211.00	220.00	9.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
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### OPERATIONS

#### Sporting Reserves

Sports Ground fees FCC Schools	PER HOUR	35.00	37.00	2.00
Sports Ground fees Commercial Fees	PER HOUR	90.00	94.00	4.00
Commercial Fitness Provider - Passive Open Space	PER HOUR	5.00	5.50	0.50
Sports Ground Fees FCC Schools Half Day 9-12 / 12-3	PER BOOKING	90.00	94.00	4.00
Sports Ground Fees FCC Schools Full Day 9-3	PER BOOKING	150.00	156.00	6.00
Sports Ground Fees - Community Group outside FCC Half Day	PER HALF DAY	-	150.00	150.00
Sports Ground Fees - Community Group outside FCC Full Day	PER DAY	-	250.00	250.00
Sports Ground Fees - Community Group outside FCC Bond if required	PER FUNCTION	-	1,000.00	1,000.00
Sports Ground Fees -Commercial Half Day	PER HALF DAY	-	350.00	350.00
Sports Ground Fees -Commercial Full Day	PER DAY	-	700.00	700.00
Sports Ground Fees -Commercial Bond if required	PER FUNCTION	-	1,000.00	1,000.00

#### Neighbourhood Features and Parks

Arboretum	ON APPLICATION	186.00	186.00	-
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#### Golf Course

18 holes- Mid week	18 HOLES	26.00	26.00	-
9 holes- Mid week	9 HOLES	20.50	21.00	0.50
18 holes- Mid week Concession	18 HOLES	20.00	21.00	1.00
9 holes- Mid week Concession	18 HOLES	16.00	17.00	1.00
18 holes- Weekend	18 HOLES	31.00	32.00	1.00
9 holes- Weekend	9 HOLES	22.00	23.00	1.00
18 holes- Weekend Junior	18 HOLES	21.00	22.00	1.00
9 holes- Weekend Junior	9 HOLES	18.00	19.00	1.00
Off Peak - unlimited Golf	PER ADMISSION	16.00	16.00	-
Season Tickets- Junior/Student	SEASON	340.00	355.00	15.00
Season Tickets - Senior Resident 0-50 games	SEASON	-	750.00	750.00
Season Tickets - Senior Resident 50-100 games	SEASON	-	990.00	990.00
Season Tickets - Pensioner 0-50 games	SEASON	-	680.00	680.00
Season Tickets - Pensioner 50-100 games	SEASON	-	895.00	895.00
Season Tickets - Adult 0-50 games	SEASON	-	1,150.00	1,150.00
Season Tickets - Adult 50-100 games	SEASON	-	1,350.00	1,350.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>INFRASTRUCTURE</b>				
Drainage Tappings (Roads & Easements)	PER APPL	200.00	210.00	10.00
Flood Plain Building Approval	PER APPL	125.00	130.00	5.00
Fees -Building Over Easements	PER APPL	75.00	80.00	5.00
Fees & Fines Asset Protection	PER APPL	200.00	200.00	-
RMA Fees - VC, Naturestrips, Road Openings	PER APPL	130.00	140.00	10.00
Asset Protection Permit	PER APPL	205.00	205.00	-
Legal Point Of Discharge	PER APPL	60.90	62.55	1.65

### PUBLIC SPACE AND LEISURE

#### Public & Community Halls

Mechanics - Main Hall Community Rate	PER HOUR	34.50	36.00	1.50
Mechanics - Main Hall Commercial Rate	PER HOUR	51.00	53.00	2.00
Mechanics - Main Hall Block Rate	PER BKNG	328.00	340.00	12.00
Mechanics - Meeting Room Commercial Rate Casual	PER HOUR	38.00	39.00	1.00
Mechanics - Meeting Room Community Rate Casual	PER HOUR	26.50	27.00	0.50
Bruce Park - Hourly hire Casual Retail/Commercial	PER HOUR	41.00	42.00	1.00
Bruce Park - Hourly hire Casual Community	PER HOUR	28.50	30.00	1.50
Bruce Park - Hourly hire Permanent Community	PER HOUR	18.50	19.00	0.50
Bruce Park - Block hire 3.00pm - 1.30am	PER BOOK	270.00	280.00	10.00
Bruce Park - Hourly hire Permanent Retail/Commercial	PER HOUR	27.00	28.00	1.00
Bruce Park - Senior rates	PER HOUR	5.80	6.00	0.20
Seaford Hall - Hourly hire Casual Retail/Commercial	PER HOUR	50.00	52.00	2.00
Seaford Hall - Hourly hire Casual Community	PER HOUR	34.50	36.00	1.50
Seaford Hall - Hourly hire Permanent Community	PER HOUR	22.50	23.00	0.50
Seaford Hall - Block hire 3.00pm - 1.30am	PER BOOK	327.50	340.00	12.50
Seaford Hall - Meeting Room Hourly hire Casual Community	PER HOUR	28.50	30.00	1.50
Seaford Hall - Meeting Room Hourly hire Permanent Retail/Commercial	PER HOUR	27.00	28.00	1.00
Seaford Hall - Hall Hourly hire Permanent Retail/Commercial	PER HOUR	33.00	34.00	1.00
Seaford Hall - Meeting Room Hourly hire Casual Retail/Commercial	PER HOUR	41.00	42.00	1.00
Seaford Hall - Senior rates	PER HOUR	7.00	7.50	0.50
Leawarra House - Permenant Retail/Commercial	PER HOUR	26.50	28.00	1.50
Talbot Hall - Permenant Community	PER HOUR	17.50	18.00	0.50
Leawarra House - Casual Retail/Commercial	PER HOUR	41.00	42.00	1.00
Talbot Hall - Casual Retail/Commercial	PER HOUR	38.00	40.00	2.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>PUBLIC SPACE AND LEISURE</b>				
<b>Public &amp; Community Halls</b>				
Belvedere Reserve Sports Pavilion Hall Casual Community	PER HOUR	22.50	23.00	0.50
Belvedere Reserve Sports Pavilion Hall Casual Retail/Commercial	PER HOUR	32.50	33.00	0.50
Belvedere Reserve Sports Pavilion Hall Permenant Community	PER HOUR	14.50	15.00	0.50
Belvedere Reserve Sports Pavilion Hall Permanent Retail/Commercial	PER HOUR	21.50	22.00	0.50
Dame Elizabeth Murdock Arboretum prior to 5pm Saturdays	PER HOUR	20.00	21.00	1.00
Dame Elizabeth Murdock Arboretum after 5pm Saturdays	PER HOUR	40.00	42.00	2.00
Langwarrin Hall - Hourly hire Permanent Community	PER HOUR	17.00	18.00	1.00
Langwarrin Hall - Hourly hire Retail/Commercial - Casual	PER HOUR	38.00	40.00	2.00
Langwarrin Hall - Block hire 3.00pm - 1.30am	PER BOOKING	250.00	260.00	10.00
Langwarrin Hall - Hourly hire Casual Community	PER HOUR	26.00	27.00	1.00
Langwarrin Hall - Hourly hire Retail/Commercial - Permenant	PER HOUR	24.50	25.00	0.50
Talbot Hall - Liquor surcharge	PER BOOKING	-	65.00	65.00
Leawarra House - Liquour surchrage	PER BOOKING	-	65.00	65.00
Cleaning surcharge - Public holiday	PER BOOKING	-	30.00	30.00
Rubbish Removal Charge (Penalty after Hire - Minor)	PER BOOKING	-	50.00	50.00
Rubbish Removal Charge (Penalty after Hire - Major)	PER BOOKING	-	150.00	150.00

## COMMUNITY STRENGTHENING

### Community Development

Ebdale Hub: Community Groups Meeting Room Hire - per hour	PER HOUR	26.00	27.00	1.00
Ebdale Community Hub: Community Groups Room Hire -Half Day	PER HALF DAY	52.00	54.00	2.00
Ebdale Hub: Corporate Group Meeting Room Hire - Full Day	PER BOOKING	121.00	126.00	5.00
Ebdale Community Hub: Corporate Group Meeting Room Hire	PER HALF DAY	84.00	87.00	3.00
Ebdale Community Hub: Community Groups Room Hire - Full Day	PER BOOKING	73.00	76.00	3.00
Frankston North Community Centre Casual Hire - Jack Verity Hall Sun-Fri, Sat before 3pm	PER HOUR	35.00	35.00	-
Frankston North Community Centre Casual Hire - Meeting Rooms	PER HOUR	25.00	25.00	-
Frankston North Community Centre Casual Hire - Annex	PER HOUR	25.00	25.00	-
Frankston North Community Centre Casual Hire - Kitchen Sun-Fri, Sat before 3pm	PER HOUR	25.00	25.00	-
Frankston North Community Centre Casual Hire - Jack Verity Hall Block Rate Sat 3pm - 1.30am	PER BOOKING	350.00	350.00	-
Frankston North Community Centre Permanent Hire - Jack Verity Hall Sun-Fri, Sat before 3pm	PER HOUR	25.00	25.00	-
Frankston North Community Centre Permanent Hire - Meeting Rooms	PER HOUR	20.00	20.00	-

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
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### COMMUNITY STRENGTHENING

#### Community Development

Frankston North Community Centre Permanent Hire - Computer Room	PER HOUR	20.00	20.00	-
Frankston North Community Centre Permanent Hire - Annex	PER HOUR	20.00	20.00	-
Frankston North Community Centre Permanent Hire - Jack Verity Hall Block Rate Sat 3pm - 1.30am	PER BOOKING	250.00	250.00	-
Frankston North Community Centre Permanent Hire - Kitchen Sun-Fri, Sat before 3pm	PER HOUR	20.00	20.00	-
Frankston North Community Centre Senior Citizen Club Hire - Jack Verity Hall Sun-Fri, Sat before 3pm	PER HOUR	7.50	7.50	-
Frankston North Community Centre Senior Citizen Club Hire - Jack Verity Hall Block Rate Sat 3pm - 1.30am	PER BKNG	250.00	250.00	-
Frankston North Community Centre Senior Citizen Club Hire - Meeting Rooms	PER HOUR	7.50	7.50	-
FCC Staff delivered program	PER CLASS	8.00	8.00	-
Badminton Comp	PER CLASS	9.00	9.50	0.50
Badminton Social	PER CLASS	8.50	9.00	0.50
Tumble Gym Casual	PER CLASS	17.00	18.00	1.00
FCC Volunteer Delivered Program	PER CLASS	3.00	3.00	-
Agestrong	PER CLASS	6.50	6.50	-
Stadium Hire commercial	PER HOUR	32.00	33.00	1.00
Energise room Hire Community	PER HOUR	21.00	21.00	-
Meeting Room 2 Hire community	PER HOUR	20.00	20.00	-
Relaxation Room Hire Community	PER HOUR	19.00	19.00	-
Stadium Hire community	PER HOUR	29.00	29.00	-
Meeting Room 1 Hire commercial	PER HOUR	19.00	21.00	2.00
Meeting Room 1 Hire community	PER HOUR	18.00	20.00	2.00
Meeting Room 2 Hire commercial	PER HOUR	21.00	21.00	-
Relaxation Room Hire Commercial	PER HOUR	20.00	21.00	1.00
Energise room Hire Commercial	PER HOUR	22.00	23.00	1.00
Prymeball	PER CLASS	6.50	6.50	-

### FAMILY HEALTH SUPPORT SERVICES

#### Home Personal & Respite Care

##### Home Care Fees & Charges

Low	PER HOUR	6.10	6.35	0.25
Medium	PER HOUR	10.50	10.90	0.40
Maximum	PER HOUR	30.40	31.60	1.20

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>FAMILY HEALTH SUPPORT SERVICES</b>				
<b>Home Personal &amp; Respite Care</b>				
<b>Personal Care Fees &amp; Charges</b>				
Low	PER HOUR	4.50	4.70	0.20
Medium	PER HOUR	8.90	9.25	0.35
Maximum	PER HOUR	29.50	30.70	1.20
<b>HACC Respite Care Fees &amp; Charges</b>				
Low	PER HOUR	3.10	3.20	0.10
Medium	PER HOUR	4.60	4.80	0.20
Maximum	PER HOUR	30.40	31.60	1.20
<b>Commonwealth Respite Care Fees</b>				
Low	PER HOUR	4.70	4.90	0.20
Medium	PER HOUR	17.00	17.70	0.70
Full Fee	PER HOUR	30.60	31.80	1.20
<b>Brokerage Services</b>				
Aged Care Packages	PER HOUR	56.40	58.65	2.25
<b>Home Maintenance</b>				
Home Maintenance Fees	PER HOUR			
Low	PER HOUR	10.70	11.10	0.40
Medium	PER HOUR	11.20	11.65	0.45
Maximum	PER HOUR	48.30	50.25	1.95
<b>Home Personal &amp; Respite Care</b>				
<b>Planned Activity Groups</b>				
Bingo	PER SESSION	5.80	6.05	0.25
Musical Matinees	PER SESSION	18.00	18.70	0.70
<b>Meals on Wheels</b>				
Meals on Wheels Fees				
Low	PER MEAL	6.30	6.55	0.25
Medium	PER MEAL	9.10	9.45	0.35
Maximum	PER MEAL	14.30	14.85	0.55
<b>Kindergarten Registration</b>				
Pre-school Fees	PER APPL	20.00	21.00	1.00
<b>Community Buses</b>				
Fees for Bus	PER DAY	128.20	120.00	- 8.20

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>ARTS AND CULTURE</b>				
<b>Events</b>				
Frankston Waterfront Festival - Food Stall 3m x 3m Site	PER SITE	585.00	550.00	- 35.00
Frankston Waterfront Festival - Food Stall 6m x 3m Site	PER SITE	760.00	850.00	90.00
Frankston Waterfront Festival - Food Stall 9m x 3m Site	PER SITE	1,375.00	1,500.00	125.00
Frankston Waterfront Festival - Market Stall 3m x 3m site	PER SITE	95.00	100.00	5.00
Commercial Events, Filming and Photography - Parks, Beaches and Reserves - per week	PER PERMIT	1,580.00	1,580.00	-
Frankston's Christmas Festival of Lights - Food Stall 3m x 3m Site	PER SITE	530.00	550.00	20.00
Frankston's Christmas Festival of Lights - Food Stall 6m x 3m Site	PER SITE	665.00	850.00	185.00
Frankston's Christmas Festival of Lights - Food Stall 9m x 3m Site	PER SITE	865.00	1,000.00	135.00
Frankston's Christmas Festival of Lights - Market Stall 3m x 3m Site	PER SITE	80.00	100.00	20.00
Frankston's Christmas Festival of Lights - Market Stall 6m x 3m Site	PER SITE	110.00	175.00	65.00
Commercial Events, Filming and Photography - City Center - per day	PER PERMIT	1,055.00	1,055.00	-
Commercial Events, Filming and Photography - City Centre - per week	PER PERMIT	3,700.00	3,700.00	-
Commercial Events, Filming and Photography - Parks, Beaches and Reserves - per day	PER PERMIT	790.00	790.00	-
Commercial Events, Filming and Photography - Frankston Waterfront (grassed area) - per day	PER PERMIT	1,580.00	1,580.00	-
Commercial Events, Filming and Photography - Frankston Waterfront (grassed area) - per week	PER PERMIT	5,275.00	5,275.00	-
Pets' Day Out - Food Stall 3m x 3m Site	PER SITE	235.00	245.00	10.00
Pets' Day Out - Food Stall 3m x 6m Site	PER SITE	315.00	330.00	15.00
Pets' Day Out - Market Stall 3m x 3m Site	PER SITE	125.00	130.00	5.00
Frankston Waterfront Festival - Market Stall 3m x 6m site	PER SITE	-	175.00	175.00
Frankston Waterfront Festival - Beverage and Snack Stall 3m x 3m site	PER SITE	-	400.00	400.00
Frankston Waterfront Festival - Beverage and Snack Stall 3m x 6m site	PER SITE	-	600.00	600.00
Frankston Waterfront Festival - Licenced Beverage Stall 3m x 3m site	PER SITE	-	1,200.00	1,200.00
Frankston's Christmas Festival of Lights - Beverage and Snacks Stall 3m x 3m Site	PER SITE	-	400.00	400.00
Frankston's Christmas Festival of Lights - Beverage and Snacks Stall 3m x 6m Site	PER SITE	-	600.00	600.00
Pets' Day Out Food Stall 3m x 9m Site	PER SITE	-	440.00	440.00
Pets' Day Out - Market Stall 3m x 6m Site	PER SITE	-	175.00	175.00
Pets' Day Out - NFP Stall 3m x 3m Site	PER SITE	-	40.00	40.00
Pets' Day Out - NFP Stall 3m x 6m Site	PER SITE	-	50.00	50.00
Pets' Day Out - Beverage and Snack Stall 3m x 3m Site	PER SITE	-	200.00	200.00
Pets' Day Out - Beverage and Snack Stall 3m x 6m Site	PER SITE	-	250.00	250.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
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### ARTS AND CULTURE

#### Events

Mayor's Picnic - Market Stall 3m x 3m Site	PER SITE	-	40.00	40.00
Mayor's Picnic - Market Stall 3m x 6m Site	PER SITE	-	70.00	70.00
Mayor's Picnic - Commercial Business 3m x 3m Site	PER SITE	-	200.00	200.00
Party in the Park - Commercial Business 3m x 6m Site	PER SITE	-	200.00	200.00
Party in the Park - Commercial Business 3m x 3m site	PER SITE	-	100.00	100.00
Circus (small 600 seats or under) - per week	PER PERMIT	-	300.00	300.00
Circus (small 600 seats or under) - per day	PER PERMIT	-	300.00	300.00
Circus (large over 600 seats) - per week	PER PERMIT	-	2,500.00	2,500.00
Circus (large over 600 seats) - per day	PER PERMIT	-	500.00	500.00

#### Arts Operations

Fees Theatre Rental - Standard Theatre Rental	PER BOOKING	2,420.00	2,420.00	-
Fees Theatre Rental - Per hour	PER BOOKING	220.00	220.00	-
Fees - Additional Performance hours	PER BOOKING	440.00	440.00	-
Fees Recovery - Casual Labour Technical	PER BOOKING	55.00	55.00	-
Fees Recovery - Test and Tag	PER HOUR	55.00	55.00	-
Fees Recovery - Casual Labour FOH	PER BOOKING	49.00	49.00	-
Fees Recovery - Permanent Labour Technical	PER BOOKING	55.00	55.00	-

#### Ticketing and CRM

Fees Ticket commission, standard	PER BOOKING	-	3.95	3.95
Fees Ticket commission, DMT	PER BOOKING	-	2.35	2.35
Fees Ticket commission, workshops	PER BOOKING	-	2.35	2.35

#### Arts Programming

Fees Venue Hire - Main Studios Cube 37	PER DAY	250.00	260.00	10.00
Fees Venue Hire - Labs Cube 37	PER HOUR	28.00	30.00	2.00
Fees Venue Hire - Labs Cube 37	PER DAY	100.00	110.00	10.00
Fees venue Hire - Cube 37 Gallery Exhibition	PER HIRE	700.00	700.00	-
Fees Venue Hire - Main Studios Cube 37	PER HOUR	50.00	52.00	2.00

#### Library - Management

A4 B&W	PER COPY	0.25	0.25	-
A4 Colour	PER COPY	1.20	1.20	-
A3 B&W	PER COPY	0.30	0.30	-
A3 Colour	PER COPY	2.30	2.30	-

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>ARTS AND CULTURE</b>				
<b>Library - Management</b>				
Replacement Membership Card	PER MBPM	4.25	4.25	
Replacement library items - average item cost	PER BOOKING	26.00	27.00	
Overdue fees	PER BOOKING	0.30	0.30	-
Debt Recovery	PER FINE	15.00	7.00	- 8.00
Community Groups Room Hire - One Hour	PER BOOKING	29.00	30.00	1.00
Community Groups Room Hire - Half Day	PER BOOKING	58.00	60.00	2.00
Corporate Groups Room Hire - Half Day	PER BOOKING	134.00	140.00	6.00
Lost items processing fees / charges for lost parts	PER ITEM	9.50	9.50	-
Bookclub Membership	PER MEMBERSHIP	85.00	90.00	5.00
Bookclub Membership - Concession	PER MEMBERSHIP	57.00	60.00	3.00
Charges for Adult learning programs	PER ACTIVITY	-	400.00	400.00
Charges for Children's holiday programs	PER ACTIVITY	-	300.00	300.00
<b>Library - Infrastructure</b>				
Inter-library loans - Set National Library charges	PER BOOKING	16.50	16.50	-
Inter-library loans - Library fee	PER BOOKING	2.65	2.65	-
<b>COMMUNITY SAFETY</b>				
<b>Health Services</b>				
Registration fee - Class 1A premises	PER PERMIT	1,294.00	1,350.00	56.00
Registration fee - Class 1B premises	PER PERMIT	485.00	500.00	15.00
Registration fee - Class 2A premises	PER PERMIT	652.00	650.00	- 2.00
Registration fee - Supermarkets	PER PERMIT	500.00	520.00	20.00
Registration fee - Class 2B premises	PER PERMIT	385.00	400.00	15.00
Registration fee - Class 3 premises	PER PERMIT	280.00	290.00	10.00
Registration fee - Class 2C premises	PER PERMIT	145.00	150.00	5.00
Registration fee - Health Act premises	PER PERMIT	255.00	260.00	5.00
Septic Tank Permit Fee	PER PERMIT	395.00	410.00	15.00
Registration fee - Class 2 Large Scale Bakery	PER PERMIT	1,500.00	1,550.00	50.00
Registration fee - Health Act - Low Risk - One Off Set Up	PER PERMIT	-	240.00	240.00
Registration fee - Health Act - Medium Risk	PER PERMIT	-	260.00	260.00
Registration fee - Health Act - High Risk	PER PERMIT	-	280.00	280.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>COMMUNITY SAFETY</b>				
<b>Health Services</b>				
Registration fee - Prescribed Accommodation <20 beds	PER PERMIT	-	240.00	240.00
Registration fee - Prescribed Accommodation 20 - 40 beds	PER PERMIT	-	260.00	260.00
Registration fee - Prescribed Accommodation >40 beds	PER PERMIT	-	280.00	280.00
Registration fee - Rooming House - 3-5 rooms	PER PERMIT	500.00	500.00	-
Registration fee - Rooming House - 6 rooms	PER PERMIT	600.00	600.00	-
Registration fee - Rooming House - 7 rooms	PER PERMIT	700.00	700.00	-
Registration fee - Rooming House - 8 rooms	PER PERMIT	800.00	800.00	-
Registration fee - Rooming House - 9 rooms	PER PERMIT	900.00	900.00	-
Registration fee - Rooming House - 10 rooms	PER PERMIT	1,000.00	1,000.00	-
Registration fee - Rooming House - 11 rooms	PER PERMIT	1,100.00	1,100.00	-
Food Act Plan Approval Fee - Home Based Kitchen	PER PERMIT	-	100.00	100.00
Health Act Plan Approval Fee - Medium Risk	PER PERMIT	-	100.00	100.00
Health Act Plan Approval Fee - High Risk	PER PERMIT	-	150.00	150.00
Health Act Prescribed Accommodation Plan Approval <20 Beds	PER PERMIT	-	100.00	100.00
Health Act Prescribed Accommodation Plan Approval 20-40 Beds	PER PERMIT	-	150.00	150.00
Health Act Prescribed Accommodation Plan Approval >40 Beds	PER PERMIT	-	180.00	180.00
Food Act Transfer Registration Fee - Standard	PER PERMIT	-	250.00	250.00
Health Act Transfer Registration Fee - Low Risk	PER PERMIT	-	100.00	100.00
Health Act Transfer Registration Fee - Medium Risk	PER PERMIT	-	150.00	150.00
Health Act Transfer Registration Fee - High Risk	PER PERMIT	-	200.00	200.00
Health Act Transfer Registration Fee - Rooming House	PER PERMIT	-	250.00	250.00
Health Act Transfer Registration Prescribed Accommodation Fee - <20 beds	PER PERMIT	-	150.00	150.00
Health Act Transfer Registration Prescribed Accommodation Fee - 20-40 beds	PER PERMIT	-	200.00	200.00
Health Act Transfer Registration Prescribed Accommodation Fee - >40 beds	PER PERMIT	-	250.00	250.00
Food Act - Streatrader - Temporary Class 2	PER PERMIT	145.00	150.00	5.00
Food Act - Streatrader - Temporary Class 3	PER PERMIT	100.00	105.00	5.00
Food Act - Streatrader - Mobile Class 2	PER PERMIT	385.00	400.00	15.00
Food Act - Streatrader - Mobile Class3	PER PERMIT	280.00	290.00	10.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>COMMUNITY SAFETY</b>				
<b>Fire Safety</b>				
Burning off Permits - Residential	PER PERMIT	64.00	60.00	- 4.00
Burning off periods - Commercial	PER PERMIT	218.00	250.00	32.00
<b>Compliance and Enforcement Services</b>				
Pound Release Fee - dogs	PER ANIMAL	160.00	120.00	- 40.00
Pound Release Fee - cats	PER ANIMAL	82.00	120.00	38.00
Daily Pound Keep Fees - Dogs	PER DAY	-	30.00	30.00
Daily Pound Keep Fees - Cats	PER DAY	-	17.00	17.00
Animal Registration Fees	PER ANIMAL	47.00	50.00	3.00
Animal Registration Fees - Concession	PER ANIMAL	24.00	25.00	1.00
Keast Park Horse Permit Fee	ANNUAL CHARGE	290.00	350.00	60.00
Excess Animal Fee	PER PERMIT	62.00	100.00	38.00
Excess Animal Renewal Administration Fee	PER PERMIT	-	20.00	20.00
Restricted, Menacing and Dangerous Dogs	PER ANIMAL	222.50	250.00	27.50
Cat Cage Bond Fee (Refundable if returned in <14 days)	PER CAGE	-	50.00	50.00
Domestic Animal Boarding, Breeding & Rearing Training	PER PERMIT	-	215.00	215.00
Service Requests - Animal Control and Local Laws	PER CALL	-	70.00	70.00
Pet Shop Registration	PER PERMIT	-	215.00	215.00
Outdoor Dining - Application Fee	PER APPLICATION	67.00	100.00	33.00
Containers on Roads	PER APPLICATION	7,658.00	8,000.00	342.00
Miscellaneous Vehicle Permit Fees	PER APPLICATION	67.00	70.00	3.00
Bulk Bins Annual Permit Fee	ANNUAL CHARGE	640.00	670.00	30.00
Bulk Bins Weekly Permit Fee	PER WEEK	58.00	65.00	7.00
Bulk Bins Roadway Casual Permit Fee	PER DAY	19.00	20.00	1.00
Rec. Vehicle Application	PER APPLICATION	66.00	70.00	4.00
Rec. Vehicle Permit	PER PERM	66.00	70.00	4.00
Heavy Duty Vehicle Application	PER APPLICATION	66.00	100.00	34.00
Heavy Duty Vehicle Permit - Light Truck	PER PERMIT	-	200.00	200.00
Heavy Duty Vehicle Permit - High Tonnage	PER PERMIT	-	500.00	500.00
Busking Permit - 2 months - Adult concession	PER PERMIT	23.00	24.00	1.00
Busking Permit - 2 months - Adult	PER PERMIT	56.00	58.00	2.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
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### COMMUNITY SAFETY

#### Compliance and Enforcement Services

Outdoor Dining - Tables - Licensed	PER TABLE	-	80.00	80.00
Outdoor Dining - Chairs - Licensed	PER CHAIR	-	40.00	40.00
Outdoor Dining - Tables - Non Licensed	PER TABLE	-	62.00	62.00
Outdoor Dining - Chairs - Non Licensed	PER CHAIR	-	32.00	32.00
Advertising Signage - A Frames Application	PER APPLICATION	185.00	150.00	- 35.00
Advertising Signage - A Frames Annual Fee	ANNUAL CHARGE	-	50.00	50.00
Advertising Signage - Mobile A Frames Annual Fee	ANNUAL CHARGE	-	500.00	500.00
Display of Goods	ANNUAL CHARGE	307.00	310.00	3.00
Impound Fee - Motor Bikes/Motor Vehicles	PER VEHICLE	-	200.00	200.00
Impound Fee - Trolley	PER ITEM	-	20.00	20.00
Pound Release Fee - Motor Vehicles	PER VEHICLE	500.00	350.00	- 150.00
Daily Storage Fee - Seized Vehicles	PER VEHICLE	38.00	40.00	2.00
Pound Release Fee - Motor Bikes	PER VEHICLE	757.00	800.00	43.00
Pound Release Fee - Motor Bikes - 2nd Offence	PER VEHICLE	790.00	1,000.00	210.00
Pound Release Fee - Trolleys & Miscellaneous	PER ITEM	62.00	55.00	- 7.00
Impound Fee - A Frame signs	PER ITEM	-	200.00	200.00
Sale of abandoned vehicles	ANNUAL CHARGE	212.00	215.00	3.00

#### Charged Car Parking

Parking Fee hourly	PER HOUR	1.50	1.50	-
Parking Fee daily	PER DAY	5.50	5.50	-
Foreshore Parking Meters	PER HOUR	3.00	3.00	-
Frankston House Car Parking (per Quarter)	PER PERMIT	330.00	330.00	-

#### Building Services

Enforcement Administration Fee - Outstanding Building Order investigations	PER APPLICATION	500.00	500.00	-
Temporary Structure Siting Consent	PER APPLICATION	256.00	256.00	-
Variation/Extension Fee - Minor Project less than \$50,000(Building Permit)	PER APPLICATION	148.00	148.00	-
Additional Permit Inspections (Building Permit)	PER APPLICATION	148.00	148.00	-
Lapsed Permit Inspections within FCC (Building Permit)	PER APPLICATION	281.00	281.00	-
Charity Event (POPE)	PER APPLICATION	447.00	447.00	-
Other Event (POPE)	PER APPLICATION	680.00	680.00	-
Domestic Project - Owner - not more than \$5,000 (Minor Work Building Permit)	PER APPLICATION	564.00	564.00	-
Domestic Project - Owner - Project Value \$5,000-\$20,000 - (Minor Work Building Permit)	PER APPLICATION	780.00	780.00	-

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>COMMUNITY SAFETY</b>				
<b>Building Services</b>				
Fences(other than brick) - Owner - (Minor Work Building Permit)	PER APPLICATION	368.00	368.00	-
Residential - Basic (Demolition Building Permit)	PER APPLICATION	564.00	564.00	-
Residential - Complex (Demolition Public space Building Permit)	PER APPLICATION	715.00	715.00	-
Commercial - Basic (Demolition Building Permit)	PER APPLICATION	810.00	810.00	-
Above Ground (Pool Building Permit)	PER APPLICATION	383.00	383.00	-
Below Ground not more than \$20,000 (Pool Building Permit)	PER APPLICATION	805.00	805.00	-
Below Ground over \$20,000 (Pool Building Permit)	PER APPLICATION	1,072.00	1,072.00	-
Pool Fencing/Barriers (Pool Building Permit)	PER APPLICATION	368.00	368.00	-
Domestic Project -Owner - \$15,000 - \$30,000 (Major Work Building Permit)	PER APPLICATION	947.00	947.00	-
Domestic Project -Owner - over \$30,000 - \$60,000 (Major Work Building Permit)	PER APPLICATION	1,281.00	1,281.00	-
Domestic Project -Owner - over \$60,000 - \$100,000 (Major Work Building Permit)	PER APPLICATION	1,503.00	1,503.00	-
Domestic Project -Owner - over \$100,000 - \$200,000 (Major Work Building Permit)	PER APPLICATION	1,893.00	1,893.00	-
Domestic Project -Owner - over \$200,000 - \$300,000 (Major Work Building Permit)	PER APPLICATION	2,450.00	2,450.00	-
Domestic Project -Owner - over \$300,000 - \$400,000 (Major Work Building Permit)	PER APPLICATION	3,173.00	3,173.00	-
Dual Occupancies - Builder only - up to \$500,000(500sq.m) (Major Work Building Permit)	PER APPLICATION	2,700.00	2,700.00	-
Multi building up to \$200,000(300sq.m) per occupancy - Builder only - (Major Work Building Permit)	PER APPLICATION	1,288.00	1,288.00	-
Commercial Project - Builder - up to \$15,000 ( Building Permit)	PER APPLICATION	735.00	735.00	-
Commercial Project - Owner - over \$15,000 - \$30,000 ( Building Permit)	PER APPLICATION	1,002.00	1,002.00	-
Commercial Project - Builder - over \$15,000 - \$30,000 ( Building Permit)	PER APPLICATION	811.00	811.00	-
Commercial Project - Owner - over \$30,000 - \$60,000 ( Building Permit)	PER APPLICATION	1,336.00	1,336.00	-
Commercial Project - Builder - over \$300,000 - \$400,000 ( Building Permit)	PER APPLICATION	3,340.00	3,340.00	-
Commercial Project - Owner - over \$400,000 - \$500,000( Building Permit)	PER APPLICATION	4,120.00	4,120.00	-
Commercial Project - Builder - over \$400,000 - \$500,000( Building Permit)	PER APPLICATION	3,673.00	3,673.00	-
Domestic Project - Builder - over \$5,000 - \$10,000 (Minor Work Building Permit)	PER APPLICATION	668.00	668.00	-
Domestic Project - Owner - over \$5,000 - \$10,000 (Minor Work Building Permit)	PER APPLICATION	780.00	780.00	-
Domestic Project - Builder - over \$10,000- \$20,000 (Minor Work Building Permit)	PER APPLICATION	835.00	835.00	-

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>COMMUNITY SAFETY</b>				
<b>Building Services</b>				
Domestic Project - Owner - over \$10,000- \$20,000 (Minor Work Building Permit)	PER APPLICATION	980.00	980.00	-
Fences(other than brick) - Builder- (Minor Work Building Permit)	PER APPLICATION	334.00	334.00	-
Commercial Project - Owner - up to \$15,000 ( Building Permit)	PER APPLICATION	890.00	890.00	-
Commercial Project - Builder- over \$30,000 - \$60,000 ( Building Permit)	PER APPLICATION	1,115.00	1,115.00	-
Commercial Project - Owner - over \$60,000 - \$100,000( Building Permit)	PER APPLICATION	1,670.00	1,670.00	-
Commercial Project - Builder - over \$60,000 - \$100,000( Building Permit)	PER APPLICATION	1,447.00	1,447.00	-
Commercial Project - Owner - over \$100,000 - \$200,000( Building Permit)	PER APPLICATION	2,226.00	2,226.00	-
Commercial Project - Builder - over \$100,000 - \$200,000( Building Permit)	PER APPLICATION	2,005.00	2,005.00	-
Commercial Project - Owner - over \$200,000 - \$300,000( Building Permit)	PER APPLICATION	2,783.00	2,783.00	-
Commercial Project - Builder - over \$200,000 - \$300,000( Building Permit)	PER APPLICATION	2,448.00	2,448.00	-
Commercial Project - Owner - over \$300,000 - \$400,000 ( Building Permit)	PER APPLICATION	3,673.00	3,673.00	-
Variation/Extension Fee - Major Project more than \$50,000(Building Permit)	PER APPLICATION	557.00	557.00	-
Lapsed Permit Inspections outside FCC (Building Permit)	PER APPLICATION	368.00	368.00	-
Domestic Project - Builder - not more than \$5,000 (Minor Work Building Permit)	PER APPLICATION	446.00	446.00	-
Domestic Project -Builder - \$15,000 - \$30,000 (Major Work Building Permit)	PER APPLICATION	811.00	811.00	-
Domestic Project -Builder - over \$30,000 - \$60,000 (Major Work Building Permit)	PER APPLICATION	1,094.00	1,094.00	-
Domestic Project -Builder - over \$100,000 - \$200,000 (Major Work Building Permit)	PER APPLICATION	1,678.00	1,678.00	-
Domestic Project -Builder - over \$60,000 - \$100,000 (Major Work Building Permit)	PER APPLICATION	1,286.00	1,286.00	-
Domestic Project -Builder - over \$200,000 - \$300,000 (Major Work Building Permit)	PER APPLICATION	2,119.00	2,119.00	-
Domestic Project -Builder - over \$300,000 - \$400,000 (Major Work Building Permit)	PER APPLICATION	2,828.00	2,828.00	-
Lodgement Fee (Administration)	PER APPLICATION	37.00	38.00	1.00
Retrieval and Copy of Documents (Residential) (Administration)	PER APPLICATION	108.00	108.00	-
Retrieval of Documents (Industrial/Commercial) (Administration)	PER APPLICATION	155.00	155.00	-
Copy of Documents A1 (Industrial/Commercial) (Administration)	PER APPLICATION	11.50	12.00	0.50
Copy of Documents A0 (Industrial/Commercial) (Administration)	PER APPLICATION	17.00	17.80	0.80
Request for Building Particulars (Administration)	PER APPLICATION	50.00	55.00	5.00
Dispensations (Surveyor Report and Consent)	PER APPLICATION	246.00	255.00	9.00
Council Information Requests	PER APPLICATION	52.00	55.00	3.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
<b>PLANNING AND ENVIRONMENT</b>				
<b>Planning Management</b>				
Local Law 17	PER APPLICATION	102.00	110.00	8.00
Guidelines for street tree removal - small	PER APPLICATION	970.00	980.00	10.00
<b>Statutory Planning</b>				
Preparation of Section 173	PER REQUIRED	780.00	820.00	40.00
Town Planning Amendments	PER REQUIRED	3,600.00	3,800.00	200.00
Request to end or vary an existing Section 173 Agreement	PER REQUIRED	900.00	940.00	40.00
Development <\$10,000	PER REQUIRED	102.00	102.00	-
Single Dwelling \$10,000-\$100,000	PER APPLICATION	239.00	239.00	-
Single Dwelling >\$100,000	PER APPLICATION	490.00	490.00	-
Use Application	PER APPLICATION	502.00	502.00	-
Development \$10,000-\$250,000	PER APPLICATION	604.00	604.00	-
Development \$250,000-\$500,000	PER APPLICATION	707.00	707.00	-
Development \$500,000-\$1,000,000	PER APPLICATION	815.00	815.00	-
Development \$1,000,000-\$7,000,000	PER APPLICATION	1,153.00	1,153.00	-
Development \$7,000,000-\$10,000,000	PER APPLICATION	4,837.00	4,837.00	-
Development \$10,000,000-\$50,000,000	PER APPLICATION	8,064.00	8,064.00	-
Development >\$50,000,000	PER APPLICATION	16,130.00	16,130.00	-
Subdivision (realignment, two lots, and existing buildings)	PER APPLICATION	386.00	386.00	-
Subdivision (three or more lots)	PER APPLICATION	781.00	781.00	-
Subdivision (removal of restriction)	PER APPLICATION	249.00	249.00	-
Create vary or remove restriction or right of way	PER APPLICATION	541.00	541.00	-
Create vary or remove easement	PER APPLICATION	404.00	404.00	-
Certificate of Compliance	PER APPLICATION	144.00	144.00	-
Satisfaction Matters	PER APPLICATION	102.00	102.00	-
Secondary Consent	PER APPLICATION	132.00	140.00	8.00
Ext. of Time	PER APPLICATION	132.00	140.00	8.00
Copy of Permit and Plans post 2011	PER APPLICATION	132.00	140.00	8.00
Copy of Permit and plans pre 2011	PER APPLICATION	157.00	165.00	8.00
Copy of Permit pre 2011	PER APPLICATION	42.00	45.00	3.00
Copy of Permit post 2011	PER APPLICATION	27.00	30.00	3.00
Written Confirmation	PER APPLICATION	72.00	75.00	3.00

# Frankston City Council

## 2016-2017 Fees and charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
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### PLANNING AND ENVIRONMENT

#### Statutory Planning

Per application	PER APPLICATION	103.00	103.00	-
plus fee per lot	PER APPLICATION	20.60	20.60	-
recertification fee	PER APPLICATION	103.00	103.00	-
preparation of advert fee	PER APPLICATION	92.00	95.00	3.00
plus fee per letter	PER APPLICATION	5.75	6.00	0.25
plus sign	PER APPLICATION	39.00	42.00	3.00
A4 Sheets	PER COPY	1.60	1.70	0.10
A3 Sheets	PER COPY	1.60	1.70	0.10
A1 Sheets	PER COPY	11.50	12.00	0.50
A0 Sheets	PER COPY	15.75	16.50	0.75

#### Strategic Planning

Town Planning Amendments	PER APPLICATION	3,600.00	3,600.00	-
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#### Biodiversity

Guidelines for street tree removal - medium	PER APPLICATION	1,760.00	1,760.00	-
Guidelines for street tree removal - large	PER APPLICATION	4,135.00	4,135.00	-
Guidelines for street tree removal - indigenous self sown - small	PER APPLICATION	1,625.00	1,625.00	-
Guidelines for street tree removal - indigenous self sown - medium	PER APPLICATION	3,156.00	3,156.00	-
Guidelines for street tree removal - indigenous self sown - large	PER APPLICATION	7,625.00	7,625.00	-
Developer contributions per tree	PER APPLICATION	185.00	185.00	-

### FINANCIAL SERVICES

#### Rates and Valuations

Land Information Certificate (standard 5 days)	PER CERTIFICATE	\$ 20.00	\$ 24.80	\$ 4.80
Land Information Certificate Priority (2 days)	PER CERTIFICATE	\$ -	\$ 35.00	\$ 35.00
Urgent Land Information Certificate (24 hours)	PER CERTIFICATE	\$ 73.00	\$ 75.00	\$ 2.00
Immediate Land Information Certificate (over counter)	PER CERTIFICATE	\$ 98.50	\$ 100.00	\$ 1.50
Supps SRO - NRFSL	PER ACT	\$ 11.10	\$ 26.94	\$ 15.84
Supps SRO - RFSL	PER ACT	\$ -	\$ 13.47	\$ 13.47
Supps SEW	PER ACT	\$ 13.72	\$ 18.00	\$ 4.28
Replacement Rate Notices	PER NOTICE	\$ 16.00	\$ 17.00	\$ 1.00
Dishonour Fee	PER ACT	\$ 24.00	\$ 35.00	\$ 11.00
Suspension Fee	PER ACT	\$ 13.00	\$ 15.00	\$ 2.00
Settlement Check - Admin Fee	PER ACT	\$ 22.00	\$ 20.00	-\$ 2.00

**Frankston City Council**  
**2016-2017 Fees and charges**



Type of Fees and Charges	Unit Charge Rate	Adopted 2015/16 Fee (GST Incl.)	Proposed 2016/17 Fee (GST Incl.)	Fee Increase \$
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**ADMINISTRATION AND CORPORATE PROJECTS**

**Governance**

Freedom of Information Application Fee	PER APPLICATION	\$ 26.50	\$ 27.20	\$ 0.70
Freedom of Information Search Fee	PER HOUR	\$ 19.86	\$ 20.40	\$ 0.54
Freedom of Information Inspection Fee	PER HOUR	\$ 19.86	\$ 20.40	\$ 0.54
A4 Copy	PER COPY	\$ 0.20	\$ 0.20	\$ -
A3 Copy	PER COPY	\$ 1.50	\$ 1.50	\$ -

**COMMERCIAL SERVICES**

**Property, Leases and Licences**

Boat Shed Fees	ANNUAL CHARGE	\$ 645.00	\$ 750.00	\$ 105.00
Tour Operator Licence	ANNUAL CHARGE	\$ -	\$ 282.00	\$ 282.00
Tour Operator Return Tour Log	PER RETURN TRIP	\$ -	\$ 1.40	\$ 1.40



## 2016-2017 Annual Budget

### **Appendix B** **Budget processes**

## Budget processes

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

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

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

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

To assist interested persons to understand the budget and make a submission if they wish, Council officers undertake a community engagement process including public information sessions, focus groups and other techniques. The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 30 June and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

Budget process	Timing
1. Officers update Council's long term financial projections	Nov/Dec
2. Officers prepare operating and capital budgets	Jan/Feb
3. Councillors consider draft budgets at informal briefings	Mar/Apr
4. Proposed budget submitted to Council for approval	April
5. Public notice advising intention to adopt budget	April
6. Budget available for public inspection and comment	April
7. Public submission process undertaken	April/May
8. Submissions period closes (28 days)	May
9. Submissions considered by Council/Committee	May
10. Budget and submissions presented to Council for adoption	May
11. Copy of adopted budget submitted to the Minister	Jun
12. Revised budget where a material change has arisen	Sep-Jun



## 2016-2017 Annual Budget

### **Appendix C**

# Detailed capital works projects

This appendix presents a listing of the capital works projects that will be undertaken for the 2016-2017 year.

The capital works projects are grouped by type include the following:

- Facilities
- Parks and leisure
- Plant, equipment, furniture and artwork
- Stormwater management
- Transportation
- Waste management

**Appendix C**  
**CAPITAL WORKS PROGRAM**  
**2016-2017 ANNUAL BUDGET**



Project Code	Project Name	2016–2017 Budget Allocation	Rates Funded	Other Funding Source
<b>Bridges</b>				
<b>Pedestrian</b>				
3099	Annual Bridge and Pedestrian Structures Renewal Program (Level 2 Recommendations)	125,000	125,000	-
3682	Major Bridge Renewal Program	480,000	480,000	-
3723	Bridge Guard/Barrier Rail Compliance	150,000	150,000	-
3969	Bridge and Pedestrian Structures - Compliance and Safety Upgrades	150,000	150,000	-
		<b>905,000</b>	<b>905,000</b>	-
<b>Bridges Total</b>		<b>905,000</b>	<b>905,000</b>	
<b>Facilities</b>				
<b>Arts and Library Precinct</b>				
3705	Arts and Library Facilities Renewal Program	1,092,000	1,092,000	-
3999	Cube 37 Seating Bank Upgrade (automated seating) House Lighting and Foyer LED replacement Auditorium and Foyer Stage door latching system Cube 37 studio floor repairs	310,000	310,000	-
1446	Frankston Arts Centre - Technical Equipment Upgrade	140,000	140,000	-
3807	Arts and Libraries Compliance Program	1,200,000	1,200,000	-
AC1	Security Camera Expansion	15,000	15,000	-
AC2	Technical Upgrade	111,000	111,000	-
AC3	Video Plinths and Bar Menu Screens	15,000	15,000	-
AC4	Virtual Reality Studio	10,000	10,000	-
AC5	Glass Cube Day Blinds	10,000	10,000	-
AC6	Mechanics Hall Infrastructure	50,000	50,000	-
AC7	FAC Kitchen and Bar Facilities	238,000	238,000	-
LL1	Service desk area upgrades	160,000	160,000	-
LL2	Maintain RFID technologies	25,480	25,480	-
		<b>3,376,480</b>	<b>3,376,480</b>	-
<b>Community</b>				
2641	Communities Facilities Renewal Program	310,000	310,000	-
3806	Communities Facilities Compliance Program	15,000	15,000	-
CF1	Karingal Place	90,000	90,000	-
CF2	Seaford Community Centre - Concept Design	50,000	50,000	-
		<b>465,000</b>	<b>465,000</b>	-
<b>Family, Youth and Senior Citizens</b>				
3706	Aged Services Facilities Renewal Program	170,000	170,000	-
3766	Family and Youth Facilities Renewal Program	310,000	310,000	-
3351	Family and Youth Services Compliance Program	15,000	15,000	-
FY1	Playroom Upgrades - Designs	60,000	60,000	-
		<b>555,000</b>	<b>555,000</b>	-

**Appendix C**  
**CAPITAL WORKS PROGRAM**  
**2016-2017 ANNUAL BUDGET**



Project Code	Project Name	2016-2017 Budget Allocation	Rates Funded	Other Funding Source
<b>Municipal</b>				
3532	Civic and Operations Facilities Renewal Program	540,000	540,000	-
4000	Public Amenities Renewal Program	240,000	240,000	-
NEW	Public Amenities Compliance Program	15,000	15,000	-
CC1	Operations Centre Redevelopment and Staff Accommodation	50,000	50,000	-
UR1	Foreshore Toilet, Nepean Hwy - Design Only	50,000	50,000	-
UR2	Demolish existing Toilets	150,000	150,000	-
UR4	Foreshore Toilet opposite Seaford Road (Seaford Foreshore)	50,000	50,000	-
UR5	Foreshore Toilet opposite McCulloch Avenue.	350,000	350,000	-
UR6	Foreshore Toilet at Oliver's Hill.	250,000	250,000	-
		<b>1,695,000</b>	<b>1,695,000</b>	-
<b>Recreation</b>				
1237	Structured Recreation Pavilions Renewal Program	740,000	740,000	-
4013	Structured Recreation Compliance Program	55,000	55,000	-
SR1	McClelland Reserve Soccer Pavilion	440,000	340,000	100,000
SR2	Ballam Park Pavilion Upgrade	1,300,000	650,000	650,000
SR3	Frankston District Basketball Association	500,000	-	500,000
SR4	Carrum Downs Recreation Reserve Pavilion and Car Park	1,300,000	-	1,300,000
SR7	Bruce Park Pavilion Design	50,000	50,000	-
SR11	Overport Reserve - Frankston Dolphins (Junior) Pavilion Upgrade	50,000	50,000	-
		<b>4,435,000</b>	<b>1,885,000</b>	<b>2,550,000</b>
<b>Facilities Total</b>		<b>10,526,480</b>	<b>7,976,480</b>	<b>2,550,000</b>
<b>Parks and Leisure</b>				
<b>Foreshore</b>				
3771	Erosion Control Fence Renewal - Seaford Wetlands and Frankston/Seaford Foreshore	150,000	150,000	-
3625	Foreshore Pedestrian Trails and Beach Entrances Renewal Program	50,000	50,000	-
3687	Foreshore Minor Infrastructure Renewal Program	100,000	100,000	-
CAA1	Foreshore Lockers	13,000	13,000	-
OS2	Seaford Foreshore - North - South Path Works	150,000	150,000	-
		<b>463,000</b>	<b>463,000</b>	-
<b>Park Management</b>				
3030	Open Space Renewal Program	150,000	150,000	-
3768	Various Reserves - Signage	100,000	100,000	-
3813	Renewal of Banner Poles	65,000	65,000	-
3421	Fencing Replacement Program - Boundary Fences - Council	200,000	200,000	-
OS3	Trotting Track Precinct -Stage 2 - Jubilee Park - Design	50,000	50,000	-
OS4	Pedestrian Trail development - Lloyd Park - Construction	50,000	50,000	-
OS7	Frankston Park - Landscaping	15,000	15,000	-
OS8	Works in Keast Park	150,000	150,000	-
OS9	Fencing in Jubilee Park	30,000	30,000	-
		<b>810,000</b>	<b>810,000</b>	-

**Appendix C**  
**CAPITAL WORKS PROGRAM**  
**2016-2017 ANNUAL BUDGET**



**FRANKSTON CITY COUNCIL 2016-2017 BUDGET**

Project Code	Project Name	2016-2017 Budget Allocation	Rates Funded	Other Funding Source
<b>Parks and Leisure cont.</b>				
<b>Park Management Passive Reserves</b>				
3587	Playground Strategy Implementation - Renewal of Playgrounds	2,500,000	2,500,000	-
4002	Cypress Post Playground Renewal Program	20,000	20,000	-
1286	BBQ Replacement Program - Major Parks	40,000	40,000	-
3577	Garden Bed - Retaining Walls	45,000	45,000	-
3775	Frankston Waterfront Safety Renewal - including boat ramps, playground, shade structures and furniture	1,300,000	1,300,000	-
3585	Playground Under surfacing Renewal Program	40,000	40,000	-
3584	Playground Improvements/Demolition	50,000	50,000	-
4015	Karingal Place Neighbourhood House - Playground Redevelopment	400,000	400,000	-
1299	Risk Management Works within Council Reserves	50,000	50,000	-
OS1	Long Island Development Strategy (Concept Design)	153,000	153,000	-
OS5	George Pentland Botanic Gardens	50,000	50,000	-
OS6	Shade Structures - Keast Park	50,000	50,000	-
PP2	Ballam Park	300,000	300,000	-
PP3	Seaford Community Centre	40,000	40,000	-
PP4	Baxter Park	350,000	350,000	-
PP5	Lawton Park	250,000	250,000	-
PP6	RF Miles Reserve	30,000	30,000	-
PP7	Carrum Downs Recreation Reserve	50,000	50,000	-
		<b>5,718,000</b>	<b>5,718,000</b>	-
<b>Sporting Infrastructure</b>				
3592	Sporting Ground - Pitch Cover Renewal	50,000	50,000	-
3593	Sporting Ground - Goal Post Replacement Program	50,000	50,000	-
3666	Renewal of Irrigation Systems at Council Reserves	160,000	160,000	-
3305	Fence Replacement Program - Internal Fences at Council	150,000	150,000	-
3588	Sporting Ground - Surface Renewal	750,000	750,000	-
3777	Cricket Net Replacement Program	300,000	300,000	-
SR5	Frankston BMX Track	600,000	500,000	100,000
SR6	Centenary Park Sporting Complex	150,000	150,000	-
SR8	Overport Reserve Extension to Oval 2	50,000	50,000	-
SR9	Overport Reserve Sports Lighting Design	50,000	50,000	-
SR10	Ballam Park Netball Courts - Design	20,000	20,000	-
		<b>2,330,000</b>	<b>2,230,000</b>	<b>100,000</b>
<b>Parks and Leisure Total</b>		<b>9,321,000</b>	<b>9,221,000</b>	<b>100,000</b>
<b>Plant, Equipment, Furniture and Artwork</b>				
<b>Artworks</b>				
PA1	Public Art Program	50,000	50,000	-
3803	Public Artworks Renewal Program	180,000	180,000	-
		<b>230,000</b>	<b>230,000</b>	-

**Appendix C**  
**CAPITAL WORKS PROGRAM**  
**2016-2017 ANNUAL BUDGET**



**FRANKSTON CITY COUNCIL 2016-2017 BUDGET**

Project Code	Project Name	2016-2017 Budget Allocation	Rates Funded	Other Funding Source
<b>Plant, Equipment, Furniture and Artwork cont.</b>				
<b>IT Assets</b>				
1590	Annual File Server Replacement Program	50,000	50,000	-
1294	Annual PC Renewal	360,000	360,000	-
2797	Network and Comms Infrastructure Renewal	20,000	20,000	-
2695	Public PC Replacement	112,000	112,000	-
4003	Equipment for New Councillors	45,000	45,000	-
4004	Parking Enforcement Hand Held Device Replacement	75,000	75,000	-
4005	Pharos Public PC and Booking system	50,000	50,000	-
3962	Shoretel VOIP Renewal	15,000	15,000	-
3963	GIS Software Renewal	11,000	11,000	-
1309	GIS - Aerial Photography Update	30,000	30,000	-
1305	GIS Mobile Computing Hardware Renewal	30,000	30,000	-
3975	Business Objects Software Renewal	11,000	11,000	-
3089	Safe City Surveillance System - CCTV Camera Renewal	80,000	80,000	-
IS1	Asset Management Information System (FAMIS)	460,000	460,000	-
IS2	TCM System Enhancements	32,250	17,250	15,000
IS3	Eureka - Revenue and Debt Management Improvements	50,000	50,000	-
IS4	Enterprise Architecture Project	200,000	200,000	-
IS5	Pathway - Functionality Enhancements	90,080	90,080	-
IS6	GIS Functionality Enhancements	42,065	42,065	-
IS7	Ungerboeck Functionality Enhancements	127,452	127,452	-
IS8	Infocouncil System Enhancements	9,760	9,760	-
IS9	Web Development and Enhancements	73,250	73,250	-
IS12	Grant Management Functionality Enhancements	30,000	30,000	-
IS13	ReM Functionality Enhancements	79,520	79,520	-
IS14	Data Management Plan Actions	50,000	50,000	-
IS15	TicketServ Functionality Enhancements	15,000	15,000	-
IS16	TechnologyOne Enhancements	71,500	71,500	-
IS17	Contract Management Replacement System - Business Analysis	30,000	30,000	-
IS18	Corporate Reporting System – Business Analysis	30,000	30,000	-
IS19	Additional IT Equipment for Frankston North Community	23,200	23,200	-
IS20	2 Smart TVs for Frankston South and Ebdale Hub	7,000	7,000	-
IS21	Visitor Information Centre Membership Management and Communications	7,700	7,700	-
IS22	ION Core System Integrator Implementation	30,000	30,000	-
IS23	Electronic Signatures	15,000	15,000	-
		<b>2,362,777</b>	<b>2,347,777</b>	<b>15,000</b>
<b>Plant and Equipment</b>				
2525	Plant and Equipment Replacement	1,593,000	1,202,000	391,000
1234	Light vehicles Replacement	1,200,000	480,000	720,000
3959	Minor Plant and Equipment Replacement	40,000	40,000	-
3087	Litter Bin Replacement Program - Throughout Municipality	25,000	25,000	-
2808	Library Furnishing and Equipment Renewal	30,000	30,000	-
1469	Library Collection	700,000	700,000	-
1288	Office Furniture and Equipment - OG	50,000	50,000	-
		<b>3,638,000</b>	<b>2,527,000</b>	<b>1,111,000</b>
<b>Plant, Equipment, Furniture and Artwork Total</b>		<b>6,230,777</b>	<b>5,104,777</b>	<b>1,126,000</b>

**Appendix C**  
**CAPITAL WORKS PROGRAM**  
**2016-2017 ANNUAL BUDGET**



**FRANKSTON CITY COUNCIL 2016-2017 BUDGET**

Project Code	Project Name	2016-2017 Budget Allocation	Rates Funded	Other Funding Source
<b>Stormwater Management</b>				
<b>Drainage</b>				
3561	Frankston South Drainage Strategy - Moonah Street Drainage Works	50,000	50,000	-
3971	Drainage pipes and pits renewal/upgrade - Aged-based asset condition evaluation and replacement	100,000	100,000	-
3458	Easement Drainage Pit Alterations	150,000	150,000	-
4016	Seaford Drainage Strategy - Kananook Avenue Drainage Works	40,000	40,000	-
4006	Frankston South Drainage Strategy - 9 Williams Street Drainage Works	250,000	250,000	-
3815	WSUD Renewal	50,000	50,000	-
SW1	Dandenong Road East Drainage Strategy	400,000	400,000	-
SW3	Construction of Priority Project 5 of Frankston South SWD Strategy Implementation Project in 2016/17. Involves drainage and road upgrade works for 13-19 Cambridge Street.	250,000	250,000	-
SW6	Design of Priority Projects 6 to 9 for Frankston South SWD Strategy Implementation Project in 2016/17. Involves drainage designs for: Project 6 - 13-21 Jasper Terrace; Project 7 - 2-8 Warringa Road; Project 8 - 18-20 Murawa Street; and Project 9 - 32 Warrain Street.	100,000	100,000	-
SW7	Minor Drainage Work - Ongoing funding to address ad-hoc drainage issues arising out of major storm events in Frankston. Work involves replacing pits, lids, installation of agricultural drains and minor drainage works.	100,000	100,000	-
		<b>1,490,000</b>	<b>1,490,000</b>	<b>-</b>
<b>Stormwater Management Total</b>		<b>1,490,000</b>	<b>1,490,000</b>	<b>-</b>
<b>Sustainability Initiatives</b>				
<b>Sustainability Initiatives</b>				
SI1	Frankston Arts Precinct - Library and Arts Centre - Solar PV Installation	225,600	225,600	-
SI2	Frankston North Community Centre - Solar PV Installation	22,815	22,815	-
SI3	Operations Centre - HVAC Upgrade	104,000	104,000	-
SI4	Belvedere Park Tennis Club Solar PV Installation	4,110	4,110	-
SI5	Frankston Croquet Club Solar PV Installation	4,110	4,110	-
SI6	North Seaford Tennis Club Inc. Solar PV Installation	6,165	6,165	-
SI7	Frankston East Tennis Club Solar PV Installation	6,465	6,465	-
SI8	Operations Centre Insulation Upgrade	13,000	13,000	-
SI9	Seaford Life Saving Club Solar PV Installation	8,620	8,620	-
SI10	Kananook Tennis Club Inc. Solar PV Installation	4,110	4,110	-
SI11	Centralised Irrigation Works	20,000	20,000	-
SI12	Belvedere Community Centre Seaford	8,220	8,220	-
SI13	McClelland Reserve Pavilion - Solar PV Installation	24,520	24,520	-
		<b>451,735</b>	<b>451,735</b>	<b>-</b>
<b>Sustainability Initiatives Total</b>		<b>451,735</b>	<b>451,735</b>	<b>-</b>

**Appendix C**  
**CAPITAL WORKS PROGRAM**  
**2016-2017 ANNUAL BUDGET**



Project Code	Project Name	2015/16 Budget Allocation	Rates Funded	Other Funding Source
<b>Transportation</b>				
<b>Bicycle Facilities</b>				
3563	Bicycle Path Safety Upgrades	100,000	100,000	-
4011	Shared Path Renewals	100,000	100,000	-
3440	Bicycle Chicane Upgrades	50,000	50,000	-
BF1	Golf Links Road - Moorooduc Hwy to Robinsons Road	10,500	10,500	-
BF2	Overport Road - Seaview Road to Humphries Road	10,500	10,500	-
BF3	Kars Street - High Street to Baden-Powell Drive	10,500	10,500	-
3101	City Wide Pathway and Cycle Way Plan Development - McClelland Drive Shared Path	890,232		890,232
		<b>1,171,732</b>	<b>281,500</b>	<b>890,232</b>
<b>Parking Areas</b>				
3328	Carpark Renewal Program	625,000	625,000	-
SR12	Baxter Park Soccer Car Park Upgrade	950,000	950,000	-
		<b>1,575,000</b>	<b>1,575,000</b>	-
<b>Pathways</b>				
3957	Footpath Renewal Program	1,500,000	1,500,000	-
3958	Pathway Renewal - Council Reserves	150,000	150,000	-
3336	Vehicle Crossing Renewal Program - Council Assets	90,000	90,000	-
2685	Various Reserves - Footpath Renewal Program / over installation - Risk Mgt	20,000	20,000	-
3562	Crossings Program	55,000	55,000	-
P1	Brighton Street	88,728	-	88,728
P2	Liddesdale Avenue	157,609	-	157,609
P3	Lee Street	83,014	-	83,014
P4	Kuranda Street	79,587	-	79,587
P6	Sibyl Avenue	161,579	-	161,579
P7	Kars Street	66,281	-	66,281
P8	Moorooduc Highway	68,900	68,900	-
P9	Centre Road - Design	15,000	15,000	-
P16	McCormicks Road - Construct	130,975	130,975	-
P10	Frankston-Flinders Road (east side) - Design and Construct	277,550	277,550	-
P11	Ballarto Road (south side) - Design	15,000	15,000	-
P12	Robinsons Road - Design	25,000	25,000	-
P13	Nepean Highway (east side) - Design	28,765	28,765	-
P14	Ballarto Road (south side) - Design	12,000	12,000	-
P15	Frankston-Flinders Road (west side) N/West - Design and Construct	49,805	49,805	-
P36	Frankston - Flinders Road Frankston South - Design and Construct	24,700	24,700	-
		<b>3,099,493</b>	<b>2,462,695</b>	<b>636,798</b>

**Appendix C**  
**CAPITAL WORKS PROGRAM**  
**2016-2017 ANNUAL BUDGET**



**FRANKSTON CITY COUNCIL 2016-2017 BUDGET**

Project Co	Project Name	2015/16 Budget Allocation	Rates Funded	Other Funding Source
<b>Roadway</b>				
2657	Road Renewal Program	1,303,000	883,000	420,000
3794	Foot Street Reconstruction - Stage 2	370,000	-	370,000
4007	Warrandyte Road Widening and Reconstruction (North) - Robinsons Road to 400 Warrandyte Road	460,000	-	460,000
3344	Traffic Management Devices - Renewal Programme	200,000	-	200,000
4010	On-Street Retaining Wall Renewal Program	55,000	55,000	-
3565	Kerb Renewal Program	150,000	150,000	-
RB1	Cranhaven Road, Langwarrin (Warrandyte Road to Lapwing Court). - Design	30,000	30,000	-
RB2	Barretts Road (Robinsons Road to Golf Links Road) - Design	70,000	70,000	-
RB3	Stotts Lane, Frankston South (from Gold Links Rd to Baxter Tooradin Road) - Design	55,000	55,000	-
RB4	Newton Avenue and Weeroona Road, Langwarrin South - Design	250,000	250,000	-
RB5	Access from Baxter Ave to Beauty Park	32,000	32,000	-
TM1	High Risk LATM Works Program	75,000	75,000	-
TM2	Woodlands (Langwarrin)	150,000	150,000	-
TM3	Franciscan Avenue LATM	48,000	48,000	-
TM6	Richard Drive LATM	28,200	28,200	-
TM7	Allied Drive LATM	61,200	61,200	-
TM8	Carmela Way LATM	21,000	21,000	-
		<b>3,358,400</b>	<b>1,908,400</b>	<b>1,450,000</b>
<b>Streetscapes</b>				
CAA2	Nepean Highway Boulevard - Design	50,000	50,000	-
CAA3	Playne St streetscape upgrade - Design	50,000	50,000	-
CAA4	Station Street Mall upgrade (west of Clyde Street) - Design	50,000	50,000	-
CAA5	Shannon Mall Upgrade - Design	50,000	50,000	-
CAA6	Ross Smith Avenue East upgrade - Design	50,000	50,000	-
CAA7	Thompson Street Upgrade - Design	50,000	50,000	-
S1	Beach Street, Frankston	627,000	627,000	-
S2	Evelyn Street Stage 3 Streetscape Upgrade Design	350,000	350,000	-
S3	Railway Parade, Seaford	90,000	90,000	-
S4	Throughout village, Seaford	35,000	35,000	-
S7	Bulk Tree Planting	200,000	200,000	-
		<b>1,602,000</b>	<b>1,602,000</b>	<b>-</b>
<b>Transportation</b>		<b>10,806,625</b>	<b>7,829,595</b>	<b>2,977,030</b>
<b>Waste Management</b>				
3579	Frankston Tip Risk Management Strategy Implementation	150,000	150,000	-
		<b>150,000</b>	<b>150,000</b>	<b>-</b>
<b>Waste Management</b>		<b>150,000</b>	<b>150,000</b>	<b>-</b>
<b>Total 2016-2017 Capital Works Program</b>		<b>39,881,617</b>	<b>33,128,587</b>	<b>6,753,030</b>



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