

# Frankston City Council Annual Budget

2019 – 2020

Adopted on Monday 20 May 2019



*Lifestyle Capital of Victoria*



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## Mayor's forward



It's a privilege to present Frankston City Council's Annual Budget 2019–2020, which details how we intend to fund important community services, infrastructure, capital works and other programs over the next 12 months across our city.

Producing this year's budget was no easy task, and this struggle will continue as long as the Victorian Government continues to impose its rate cap, which will see our city experience a funding shortfall of around \$17 million over the next five year.

While Council will do everything in its power to ensure services and infrastructure projects continue in Frankston City the sad reality is that without much-needed funds, hard decisions will need to be made in the future.

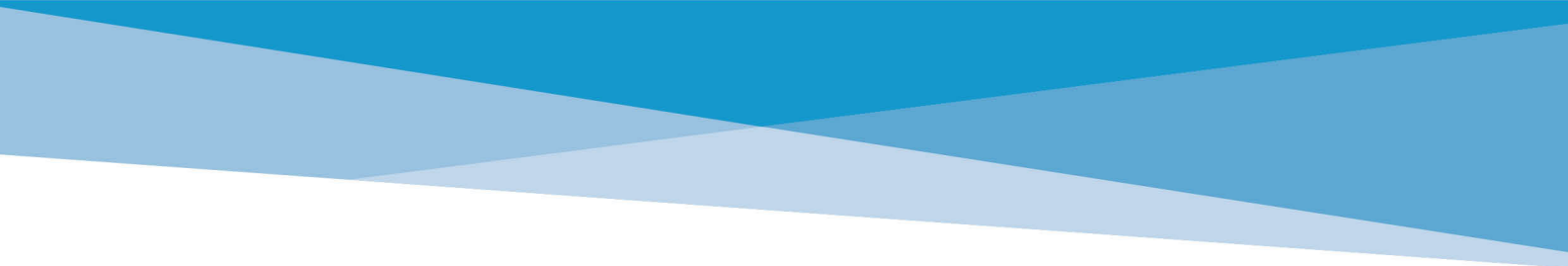
Now for a look at what you'll discover as you read on.

Community sports ovals, reserves, aquatic centres, green spaces and libraries are crucial to our growing community, which is why we are investing almost \$17 million to continue making improvements to these facilities.

Over \$3 million has been earmarked to further improve the look of Frankston City and its suburbs, with foreshore and lighting works planned in addition to shopping strip upgrades. Funding has also been flagged for public artworks to carry on transforming our city into a must-see destination for free public art.

Approximately \$9 million will be spent on facility rejuvenation and new building construction including pavilions at RF Miles Recreation Reserve, Overport Park, Ballam Park and Monterey Reserve. Upgrades will also occur at Belvedere and Carrum Bowls Club thanks to nearly \$800,000 in funding.

Council has allotted close to \$500,000 towards drainage upgrades at various city locations including the Esplanade, Lloyd Park, George Pentland Gardens and areas in Frankston South. Our roads maintenance program also continues, with \$550,000 dedicated to necessary maintenance, upgrades and remedial works.



Throughout this document you will see Council is focused on improving where we live. Our population is growing rapidly so it is vital that we continue to deliver needed services, maintain our assets and invest in new community-focused infrastructure.

As Mayor or Frankston City Mayor I can assure residents that this Council is determined to continue to work hard to achieve our vision of becoming the Lifestyle Capital of Victoria, while accomplishing the best outcomes for our community.

**Cr Michael O'Reilly**

**Mayor, Frankston City Council**



## Chief Executive Officer's Message

There is no doubt that the 2019-2020 financial year (and future financial periods) will pose significant challenges to Frankston City Council in this current rate capped environment. This budget document endeavours to deal with these challenges in the most prudent financial manner, but there remain many consequences of 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.

### Council is committed to achieving efficiencies in expenditures

Frankston City Council has been strongly committed to reducing operational spending. 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.

### Infrastructure spending impact on Council

Prior to the introduction of rate capping, Frankston City Council had significantly grown its funding for key Council infrastructure through responsible and stable rate increases of 5.50 per cent per annum. This 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.

### Adverse impacts on Council due to other Victorian / Australian Government decisions

While the rate capping regime directly limits Council's rate revenue (of which Council relies upon for 66 per cent of total revenue), there are a number of Victorian / Australian Government decisions which are further placing the Council financial position under duress. For many years the Australian and Victorian Governments have transferred responsibilities of their programs to local government with insufficient funding or grants which do not 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.

### Compliance with the rate cap

Frankston City Council has complied with the 2.50 per cent rate cap with total rates and municipal charges raised increasing from \$96,073,612 in 2018-2019 to \$99,312,163 in 2019-2020.

What has not been well communicated by the Victorian Government however is that this 2.50 per cent increase will rarely translate to an individual rate account. Individual rate accounts comprise of three components: State levies that Council collects on behalf of the Victorian 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. The Landfill Levy has increased from \$28 per tonne in 2014-2015 to an estimated \$65 per tonne in 2019-2020. Council has not yet been advised of the 2019-2020 increase in the Fire Services Levy but it is expected that it will be well above 2.50 per cent.

### Impact of Australia's waste recycling pressure

The Recycling Industry continues to be challenged by the contamination standards required by the international markets using recycled products. Recycling processors have progressed with installing infrastructure with funding from the increased recycling charges to lower the contamination and improve the quality of recycled products for reuse.

In addition, the Council is raising community awareness to reduce contamination in the recycling stream to assist with improving demand for the recycled end products in both local and international markets. The Council is working with the State Government to implement the actions in the Victorian Recycling Industry Strategic Plan.

### Key Projects

Despite being challenged by the rate capping environment, Council has funded in this budget a number of key projects including:

- Jubilee Park sports complex
- Overport Park pavilion and carpark
- RF Miles Recreation Reserve pavilion
- Centenary Park sporting complex
- Monterey Reserve soccer pavilion
- Frankston Park oval lighting, fences, pathways and landscaping
- Station Street Mall upgrade
- Clyde Street Mall upgrade
- Ballam Park soccer pavilion
- Belvedere Reserve pavilion

In closing, this Council will continue to manage its financial position responsibly and in the best interests of the Frankston community. While 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 budget for 2019-2020 which is aligned to the vision in the Council Plan 2017-2021. 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 Victorian Government.

This budget projects a surplus of \$22.089 million for 2019-2020, however, it should be noted that the adjusted underlying result is a surplus of \$11.181 million after adjusting for capital grants and contributions (refer Sections 3 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 21 December 2018 that Victorian council rate rises would be capped to the rate of inflation in the 2019-2020 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 2019-2020 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 2019-2020 year.

During 2018-2019, a revaluation of all properties within the municipality was undertaken and will apply from 1 July 2019 for 2019-2020. 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 decreased by 4.56 per cent. Of this movement, residential properties have decreased by 5.72 per cent, vacant land by 6.45 per cent and retirement villages by 3.37 per cent. However, commercial and industrial properties have increased by 1.04 per cent and 9.09 per cent respectively. Due to the impact of the revaluation in 2019-2020, the rate percentage charged will not be a consistent 2.50 per cent. On average, residential properties rates component will increase by 1.02 per cent, commercial properties will increase by 8.23 per cent and industrial properties will increase by 16.86 per cent.

Type or class of land	No. of Assessments	% movement in valuation	Change in Rates
Ordinary rate	55,627	(5.72%)	1.02%
Retirement villages	574	(3.37%)	3.52%
Commercial land	2,104	1.04%	8.23%
Industrial land	3,058	9.09%	16.86%
Vacant residential land	594	(6.45%)	0.20%
Acacia Heath	239	(2.16%)	5.16%
Farm land	5	(4.30%)	2.54%
Derelict land	1	(13.24%)	(7.05%)
Rateable recreational properties	5	(4.83%)	Various
Rate by agreement (including Baxter Village)	520	(2.03%)	Various
<b>Total</b>	<b>62,727</b>	<b>(4.56%)</b>	<b>2.50%</b>

In terms of the impact on the **average** residential property in Frankston City Council, the total rates and charges annual impact is \$39.43 or \$0.76 per week (includes waste charges).

Average general residential rate	2018-2019	2019-2020	Variance %	Variance \$
Median residential valuation in Frankston	\$ 606,240	\$ 569,763	-6.0%	
Residential rate in the dollar	0.002165	0.002320		
Total rates	\$ 1,312.77	\$ 1,321.70	<b>0.7%</b>	\$8.93
Municipal charge	\$ 159.10	\$ 163.10	<b>2.5%</b>	\$4.00
Council garbage charge (120L)(No GST)	\$ 353.70	\$ 380.20	<b>7.5%</b>	\$26.50
<b>Total rates and charges median residential</b>	<b>\$ 1,825.57</b>	<b>\$ 1,865.00</b>	<b>2.2%</b>	<b>\$39.43</b>

The annual impact on **average** commercial properties in Frankston City Council for total rates and charges is a reduction of \$442.78 or \$8.52 per week (includes waste charges).

Average commercial rate	2018-2019	2019-2020	Variance %	Variance \$
Median commercial valuation in Frankston	\$ 1,260,097	\$ 1,318,459	4.6%	
Commercial rate in the dollar	0.002707	0.002900		
Total rates	\$ 3,410.82	\$ 3,823.10	<b>12.1%</b>	\$412.28
Municipal charge	\$ 159.10	\$ 163.10	<b>2.5%</b>	\$4.00
Council garbage charge (120L)	\$ 353.70	\$ 380.20	<b>7.5%</b>	\$26.50
<b>Total rates and charges median commercial</b>	<b>\$ 3,923.62</b>	<b>\$ 4,366.40</b>	<b>11.3%</b>	<b>\$442.78</b>

The annual impact on **average** industrial properties in Frankston City Council for total rates and charges is a reduction of \$237.63 or \$4.57 per week (includes waste charges).

Average industrial rate	2018-2019	2019-2020	Variance %	Variance \$
Median industrial valuation in Frankston	\$ 564,742	\$ 607,749	7.6%	
Industrial rate in the dollar	0.002707	0.002900		
Total rates	\$ 1,528.64	\$ 1,762.27	<b>15.3%</b>	\$233.63
Municipal charge	\$ 159.10	\$ 163.10	<b>2.5%</b>	\$4.00
<b>Total rates and charges median industrial</b>	<b>\$ 1,687.74</b>	<b>\$ 1,925.37</b>	<b>14.1%</b>	<b>\$237.63</b>

The provision of waste services is calculated on a cost recovery basis. Green waste charges are increasing by 5 per cent. Council's general waste charges have increased by 7.5 per cent due to the recycling industry being challenged by the contamination standards required by the international markets using recycled products.



#### 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 Victorian Government

Note that for every \$100 in taxes paid by Victorian residents, rates make up approximately \$3.50. The other \$96.50 goes to the Victorian and Australian Governments. Refer to 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. For 2019-2020, the Victorian Government Minister for Local Government has announced a limit on the amount Victorian councils may increase rates. The cap for 2019-2020 is 2.50 per cent. The cap is based on the Consumer Price Index expected for the financial year.

#### Key things we are funding

- 1) Continued investment in the maintenance of municipal infrastructure assets \$24.791 million. This includes roads (\$4.25 million); bridges (\$0.45 million); footpaths and bicycle paths (\$1.545 million); drainage (\$1.26 million); waste management (\$0.15 million); parks, open space and streetscapes (\$6.201 million); recreational, leisure and community facilities (\$6.731 million), other infrastructure (\$2.47 million) and off street car parks (\$1.735 million). 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
- 2) The delivery of new and upgraded assets including sports pavilions (\$5.082 million), sports oval lighting (\$2.35 million), Jubilee Park netball upgrade (\$0.57 million), Centenary Park sporting complex (\$0.500 million), Orwill Street community house extension (\$0.280 million) and new systems implementations (\$1.48 million)

#### Long Term Community Outcome 1: A planned city

- 3) In conjunction with Australian and Victorian Governments, complete a business case for the catalyst development
- 4) Work with the Victorian Government, Chisholm TAFE and Peninsula Leisure Pty Ltd to leverage the Victorian Government election commitment to deliver a car parking solution for public transport users and for the benefit of students and PARC visitors
- 5) Identify further improvements to Council's policies and planning provisions for the protection of indigenous and native vegetation

#### Long Term Community Outcome 2: A liveable city

- 6) Explore opportunities to enhance delivery of economic development programs and activities within the region

- 7) Implement year three actions of the adopted Health and Wellbeing Plan 2017-2021 including:
  - Development of a Frankston City Council gender equity statement
  - Development of Healthy Choices Policy and guidelines for council-owned sports and leisure facilities
  - Partner with the Aboriginal and Torres Strait Islander community to develop the Frankston City Reconciliation Action Plan

### Long Term Community Outcome 3: A well governed city

- 8) Continue to build on recent improvements to governance by implementing identified initiatives
- 9) Continue to develop Council's relationships with Australian and Victorian politicians and peak bodies

### Long Term Community Outcome 4: A well managed city

- 10) Engage the community in the development of service and infrastructure plans
- 11) Following its adoption by Council implement actions from the Digital Strategy to optimise customer online engagement and experience
- 12) Consider and address results from the Staff Engagement Survey

### Key Statistics

There are a number of key components of the Annual Budget 2019-2020 to highlight as covered in the below points:-

- Total revenue: \$193.46M (2018-2019 = \$183.68M)
  - Total expenditure: \$171.38M (2018-2019 = \$163.07M)
  - Accounting result: \$22.09M surplus (2018-2019 = \$20.61M surplus)
  - Underlying operating result: \$11.18M surplus (2018-2019 = \$11.89M surplus)
- (Note: Underlying operating result is an important measure of financial sustainability as it excludes income which is to be used for capital, from being allocated to cover operating expenses.)
- Cash result: \$4.86M increase (2018-2019 = \$4.85M decrease)
- Net funding result after considering the funding requirements to meet loan principal repayments and the reserve transfers
- Capital works program: \$47.81M (2018-2019 = \$50.86M)
    - \$35.944M from Council operations (rate funded)
    - \$8.463M from external grants
    - \$0.730M from external contributions
    - \$1.290M from asset sales
    - \$1.383M from cash and reserves
  - The Annual Budget 2019-2020 is based on a rate capped average increase in Council rates of 2.50 per cent as prescribed by the Victorian Government
  - The Annual Budget is prepared with a 5.0 per cent increase in the green waste service charge and 7.5 per cent in the general waste incorporating kerbside collection and recycling
  - A continued commitment to maintain the condition of community assets through asset renewal (\$23.33 million in 2019-2020)
  - No further borrowings are planned in 2019-2020

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

- \$24.346 million investment in the preservation of local amenity and promotion of a safe, clean and attractive city. Maintaining civil infrastructure, shopping centre precincts, natural resources, foreshore infrastructure and recreation reserves
- \$19.415 million investment to provide strategies for the waste management needs of the municipality and the Frankston Regional Recycling and Recovery Centre
- \$15.871 million to support and enhance the health and wellbeing of families, children and young people. Also support other local providers of children's, family and youth services. Provide home and community based services and support to maintain dignity and independence of older people
- \$13.419 million for the provision of indoor and outdoor aquatic centres to improve health and wellbeing in the community
- \$8.889 million to stimulate activity in the municipality through events, festivals, arts and libraries
- \$7.105 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. Provide traffic management solutions, strategic transportation planning, road safety programs, project and contract management for the design and construction of infrastructure projects in the capital works program
- \$8.718 million to ensure the safety of the community
- \$6.771 million to deliver, maintain and retire facility buildings in Frankston Council. Construct new or develop old building facilities in the municipality, provide cleaning, security and maintenance to about 300 Frankston City Council buildings
- \$6.449 million to undertake research and implement policies and programs to enhance community wellbeing, social inclusion, participation, empowerment and resilience
- \$23.330 million to be invested in renewing and replacing existing community assets such as buildings, parks, footpaths and drains
- \$12.440 million to invest in new capital works
- \$8.847 million to invest in upgrading of assets
- \$3.193 million to invest in expansion of assets

## Key infrastructure projects included in the Annual Budget 2019-2020

Significant projects in this category included in the capital works program are:

- Overport Park pavilion, carpark and pathways - \$3,335,000 (*\$2,500,000 Council contribution*)
- Ballam Park - pavilion \$2,900,000 (*\$2,500,000 Council contribution*)
- RF Miles Recreation Reserve pavilion - \$2,000,000 (*grant funding*)
- Monterey Reserve pavilion - \$1,300,000 (*grant funding*)
- Orwill Street Community House extension - \$700,000 (*\$700,000 Council contribution*)
- Jubilee Park netball centre - \$600,000 (*\$600,000 Council contribution*)
- Centenary Park sporting complex - \$500,000 (*\$500,000 Council contribution*)
- Funds allocated for roads and bridges amount to \$4,700,000 (*\$4,105,000 Council Contribution*).
- Budget allocation to pathways including footpaths and shared pathways amount to \$1,545,000 (*Council contribution*)
- The budget allocated for recreational, leisure and community facilities is \$6.731 million (*\$4.331 million Council contribution*) and includes Frankston Park Oval and Delacombe Park lighting, sporting ground playing surface renewal and \$1.236 million in playground renewal
- Local area traffic management including the Seaford, Sweetwater, Woodlands and Fairway Precincts has a budget allocation of \$2.150 million (*\$1.300 million Council Contribution*)
- Parks, open space and streetscapes have been allocated \$6.201 million (*\$5.753 million Council contribution*) and includes replacing street lights with LED lighting, Clyde Street Mall and Station Street Mall upgrades, laneway activation, shade sails, gateway developments, public art and fencing



# Budget Reports

## 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. The 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). 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 strategy 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 Environment, Land, Water and Planning

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 within six months or by 30 June following a general election. This is reviewed each year in advance of the commencement of the Annual Budget process.

The diagram below depicts Council’s planning framework.

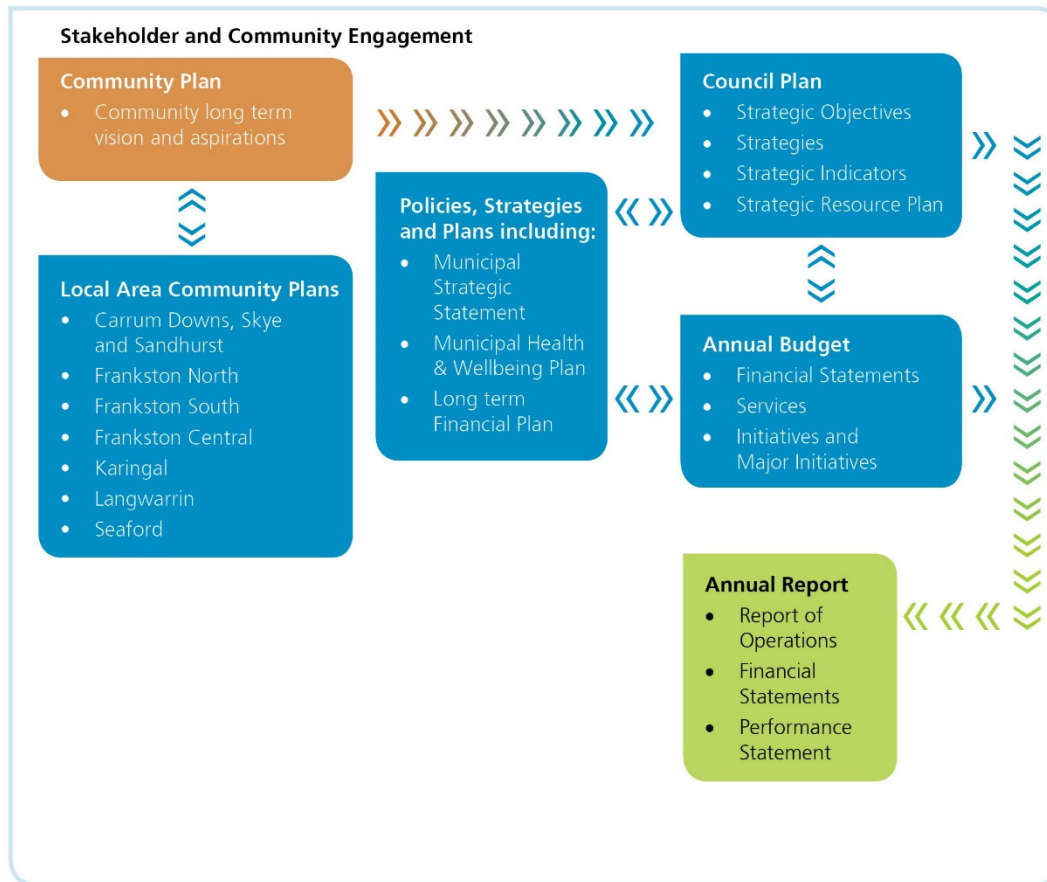


Figure 2: Council’s planning framework

## 1.2 Key planning considerations

### Service level planning

Section 3C(2)(b) of the Local Government Act 1989 requires Councils to achieve the best outcomes for the community with regard to the long term effects of decisions and in doing so use resources efficiently and effectively and provide services that meet the needs of the community.

Council has developed a service planning framework to ensure robust processes are in place for planning and review of services to ensure they provide value and continue to meet the community’s needs and expectations. This will require Council to engage with the community and prioritise resources whilst balancing service and asset provision that is focused on long term planning.

## 1.3 Our purpose

### Lifestyle Capital of Victoria

We are driven by the privilege of serving our community, providing leadership and visionary thinking to ensure Frankston is recognised as the lifestyle capital of Victoria.

## 1.4 Our values

- Community
- Respect
- Excellence
- Accountability
- Teamwork
- Integrity
- Sustainability

## 2. Services, initiatives and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for 2019-2020 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 Victorian Government's diagram below references *Strategic Objectives*). 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.

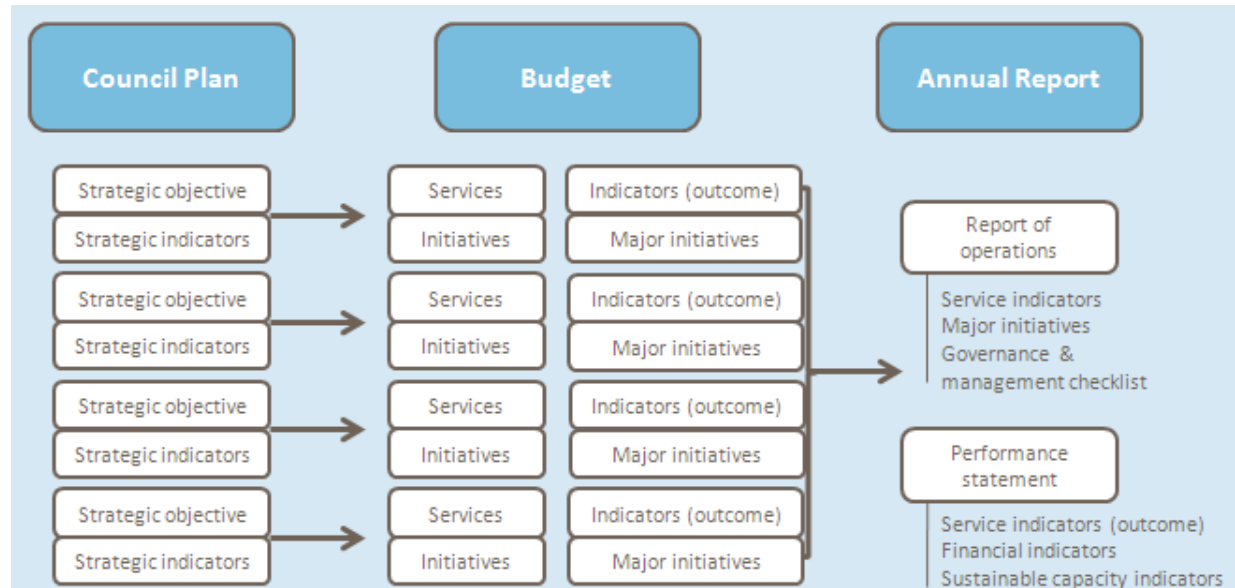


Figure 3: Relationship between the Budget, Council Plan and Annual Report. Source: Department of Environment, Land, Water and Planning

## 2.1 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 four long-term community outcomes under which Council's activity for the next four years will be delivered. The table below describes the four long term community outcomes described in the Council Plan.

Long term community outcome	Description
<b>1. A Planned City</b>	A vibrant city providing housing, stunning beaches, a beautiful natural environment and arts and cultural experiences. Everything you want at your doorstep – shopping, education, employment, recreation and a lifestyle the envy of others.
<b>2. A Liveable City</b>	Welcoming neighbourhoods, green streets and thoroughfares, parks and natural reserves, an active foreshore and vibrant town centres delivering a living environment that is second to none. An active and healthy community that is connected through participation in activities at our local and regional sporting facilities, events and festivals.
<b>3. A Well Governed City</b>	An elected Council that is driven by the privilege of serving its community and providing leadership and vision to ensure Frankston is recognised as the lifestyle capital of Victoria.
<b>4. A Well Managed City</b>	Proudly delivering services to improve our community's lifestyle. An organisation that is recognised amongst its peers as a leader in the sector, and one that is founded upon its engagement and connection to its community.



## Long term community outcome 1: A Planned City

To achieve our objective of a planned city we will have a city that is a preferred destination for investment and development. A vibrant city providing affordable housing, stunning beaches, a beautiful natural environment, and arts and cultural experiences. Everything you want at your doorstep – retail shopping, education, employment, recreation and a lifestyle the envy of others.

### Services

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
Engineering services	Provides traffic management solutions, strategic transportation planning and road safety programs. Management of public spaces and quality control on subdivisional and commercial developments including protection of Council's assets.	Integrated Transport Strategy  Car Parking Precinct Plan	3,385 <u>(287)</u> 3,098
Capital Works Delivery	Delivers project and contract management for the design and construction of infrastructure projects in the capital works program to provide quality services and facilities to the community. The projects include new, upgrades, expansions, renewals and compliance projects.		1,170 <u>(0)</u> 1,170  Capital Works 47,720
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  Frankston Metropolitan Activity Centre Structure Plan  Housing Strategy	3,720 <u>(1,718)</u> 2,002
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.		3,375 <u>(140)</u> 3,235

## Major initiatives

### Council Plan Theme 1.1: Community infrastructure

- 1 In conjunction with Australian and Victorian Governments, complete a business case for the catalyst development

### Council Plan Theme 1.2: Development and housing

- 2 Work with the Victorian Government, Chisholm TAFE and Peninsula Leisure Pty Ltd to leverage the Victorian Government election commitment to deliver a car parking solution for public transport users and for the benefit of students and PARC visitors

### Council Plan Theme 1.3: Natural and sustainable environment

- 3 Identify further improvements to Council's policies and planning provisions for the protection of indigenous and native vegetation

## Initiatives

### Council Plan Theme 1.1: Community infrastructure

- 4 Build on Council's successful advocacy campaign for the recent Victorian and Australian elections and ensure delivery of commitments, including;
  - Jubilee Park Netball stadium
  - Centenary Park Regional Tennis Facility
  - RF Miles Reserve
- 5 Work with key stakeholders to confirm the future use of the Belvedere Reserve facility (Linen House)
- 6 Complete environmental studies and community consultation and engagement for the development of the Coast Guard facility and boat refuge
- 7 Explore options to enhance and revitalise the Arts Centre precinct, including expanded facilities and possibly hotel accommodation
- 8 Complete a feasibility study for the relocation of Council's Operation Centre and present options for Council's consideration
- 9 Develop a framework to ensure community aspirations are embedded in the Long Term Infrastructure Plan (LTIP)

### Council Plan Theme 1.2: Development and housing

- 10 Review land zonings to encourage the renewal of industrial areas to attract investment and new employment opportunities
- 11 Develop initiatives to attract key worker accommodation and affordable housing as part of proposed developments
- 12 Undertake a review of the Neighbourhood Character Design Guidelines

- 13 Introduce an environmentally sustainable development (ESD) tool for assessing planning permit applications.
- 14 Work with the Victorian Government to deliver the commitment for 500 car spaces at Frankston station and identify complementary opportunities in the surrounding precinct.

**Council Plan Theme 1.3: Natural and sustainable environment**

- 15 Continue to work with the Victorian Government to find a long term solution to address siltation at the mouth of Kananook Creek
- 16 Implement year one actions of the Towards Zero Emissions Plan including:
  - Reviewing the business case and finalise Council’s options for upgrading street lighting on minor roads to LED technology
  - Embedding improved ESD standards in Council’s Capital Works Program
- 17 Work with the Metropolitan Waste and Resource Recovery Group (MWRRG) and regional councils on an advanced waste processing solution
- 18 Implement actions, as adopted by Council, from the Green Wedge Management Plan

**Service performance outcome indicators**

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

## Long term community outcome 2: A Liveable City

To achieve our objective of a liveable city, we will have welcoming neighbourhoods, green streets and thoroughfares, parks and natural reserves, an active foreshore, and vibrant town centres delivering a living environment that is second to none. An active and healthy community that is connected through participation in activities at our local and regional sporting facilities, events and festivals.

### Services

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
Operations	Preserves local amenity and promotes a safe, clean and attractive city through maintaining civil infrastructure. This includes shopping centre precincts, natural resources, foreshore infrastructure and recreation reserves. Provides services and strategies for emergency management.	Road Management Plan	24,346 <u>(1,496)</u> 22,850
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	1,771 <u>(95)</u> 1,676
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 and Culture Strategic Plan	8,889 <u>(4,428)</u> 4,461
Aquatics	Provision of indoor and outdoor Aquatic Centres to improve health and wellbeing in the community.		13,419 <u>(13,532)</u> (113)
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	8,718 <u>(7,257)</u> 1,461



Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
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	6,449 <u>(819)</u> 5,630
Recycling	Frankston Regional Recycling and Recovery Centre (FRRRC) offers the community a quick, easy, affordable and sustainable way to get rid of waste and recyclables. FRRRC is also home to a Treasure Chest shop. It sells recovered furniture, household goods and bric-a-brac for bargain hunters and anyone who has a good eye for items that can be restored/up-cycled. Also provides strategies for the waste management needs of the municipality.	Waste Minimisation Strategy	19,415 <u>(3,847)</u> 15,568
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. 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.	Municipal Early Years Plan  Strategic framework for young people in Frankston City	15,871 <u>(9,628)</u> 6,243
Building and 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.		6,771 <u>(11)</u> 6,760

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

## Major Initiatives

### Council Plan Theme 2.1: **Employment, education and economy**

- 19 Explore opportunities to enhance delivery of economic development programs and activities within the region

### Council Plan Theme 2.3: **Health and well being**

- 20 Implement year three actions of the adopted Health and Wellbeing Plan 2017-2021 including:
- Development of a Frankston City Council gender equity statement
  - Development of Healthy Choices Policy and guidelines for council-owned sports and leisure facilities
  - Partner with the Aboriginal and Torres Strait Islander community to develop the Frankston City Reconciliation Action Plan

## Initiatives

### Council Plan Theme 2.1: **Employment, education and economy**

- 21 Advocate to the tertiary education sector to align qualifications to the needs of local and regional employers
- 22 Leverage the Victorian Government's proposed investment in Frankston Hospital to increase local employment opportunities in the health sector
- 23 In conjunction with the redevelopment of the Arts Centre Precinct, investigate options for private investment in a five star hotel
- 24 Showcase local food, beverage, culture and sports through the development of packaged tourism offerings

### Council Plan Theme 2.2: **Vibrant and engaged**

- 25 In partnership with the Frankston Arts Board, McClelland Gallery & Sculpture Park and Sculpture By the Sea to develop opportunities for a sculpture exhibition in the city
- 26 Broaden the promotion of events, festivals and events such as the Street Art Festival and the Gateway Sculpture Program
- 27 Adopt lease, licence and seasonal tenancy policies to ensure equitable access to Council facilities

- 28 Submit to Council a feasibility study for the education and library hub in Langwarrin
- 29 Liaise with the Victorian Government and responsible authorities to improve the presentation of key gateway roads into Frankston such as Cranbourne-Frankston Road, Moorooduc Highway, Frankston Freeway, Nepean Highway and Ballarto Road
- 30 Continue implementation of the adopted service standard for cleanliness and presentation of the city including shopping strips, removal of dumped rubbish and graffiti

**Council Plan Theme 2.3: Health and well being**

- 31 Work with key health industry partners and the Victorian Government to develop the allied health pharmaceutical and bio medical industries
- 32 Advocate for the provision of alcohol and drug withdrawal / rehabilitation beds as part of the redevelopment of Frankston Hospital
- 33 Identify and address functional requirements and service needs for sports and leisure facilities
- 34 Implement Council’s adopted position on the delivery of aged care services

**Service performance outcome indicators**

Service	Indicator	Performance measure	Computation
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 borrowers / 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 / total number of animal

Service	Indicator	Performance measure	Computation
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)	management prosecutions [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 community outcome 3: A Well Governed City

To achieve our objective of a well governed city we will have an elected Council that is driven by the privilege of serving its community and providing leadership and visionary thinking to ensure Frankston is recognised as the lifestyle capital of Melbourne.

### Services

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
Governance and Information	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.		809 <u>(1)</u> 808
CEO Office	Build a strong flexible and forward thinking organisation that is ideally positioned to respond to current and future community needs. The CEO department is also striving to build cohesive, trusting partnerships between Councillors, the community and Council staff.		2,028 <u>(2)</u> 2,026

### Major Initiatives

#### Council plan theme 3.1: **Accountable governance**

- 35 Continue to build on recent improvements to governance by implementing identified initiatives
- 36 Continue to develop Council's relationships with Australian and Victorian politicians and peak bodies

### Initiatives

#### Council plan theme 3.1: **Accountable governance**

- 37 Respond to recommendations made by the Ombudsman, Victorian Auditor-General's Office (VAGO) and Office of Local Government
- 38 Ensure delivery of commitments made by the Australian and Victorian Governments

### Service performance outcome indicators

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

## Long term community outcome 4: A Well Managed City

To achieve our objective of a well managed city, we will be proudly delivering services to improve our community's lifestyle. An organisation that is recognised amongst its peers as a leader in the sector, and one that is founded upon its engagement and connection to its community.

### Services

Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
Sustainable Assets	Delivers, maintains and manages municipal assets and services for current and future generations. Plans sustainable assets that perform to desired service outcomes. Implements best practice asset management, managing Council's Capital Works Program, managing Council fleet and supporting the efficient and sustainable use of natural resources. Also assists Council and the community to prepare for a changing climate.	Asset Management Strategy and Plans  Integrated Water Management Plan	2,540 <u>(0)</u> 2,540
Financial and Corporate Planning	Ensures organisational financial sustainability through financial management, accounting services, rates and valuations. Manages corporate planning and performance reporting	Long Term Financial Plan Rating Strategy Council Plan	4,099 <u>(681)</u> 3,418
Commercial Services	Manages Council's property portfolio and provides business support and regulatory, contractual and policy compliance. Monitoring 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.		1,388 <u>(727)</u> 661
Business and Information Technology	Delivers and maintains technology, information systems and management to support Council in delivering services to the community.	Information Technology Strategy	6,195 <u>(0)</u> 6,195
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		2,147 <u>(0)</u> 2,147



Business area	Description of services provided	Strategy or plan	Expenditure (Revenue) Net Cost \$'000
	implement Council's priorities, deliver quality services and facilities to our community and meet all relevant statutory obligations and requirements.		
Governance and Information	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.		974 <u>(0)</u> 974
Corporate Development Management	Manage the services and activities of the Corporate Division. Provide advice & support to the CEO and Councillors on Governance & Financial matters.		980 <u>(0)</u> 980
Community Development Management	Community Development Management provides leadership, direction and general management of all departments, as well as community planning and social policy development.		523 <u>(0)</u> 523
Community Assets Management	Community Assets Management oversees the operations of the departments within the Community Assets Division while delivering the Long Term Infrastructure Plan. The division is primarily responsible for the management of Council's assets.		455 <u>(0)</u> 455

## Major Initiatives

### Council plan theme 4: Services

- 39 Engage the community in the development of service and infrastructure plans
- 40 Following its adoption by Council implement actions from the Digital Strategy to optimise customer online engagement and experience

### Council plan theme 4: People

- 41 Consider and address results from the Staff Engagement Survey

## Initiatives

### Council plan theme 4: Services

- 42 Complete service reviews as identified through the service planning framework
- 43 Following its adoption by Council implement year one actions from the Customer Experience Strategy 2019-2023

### Council plan theme 4: Systems

- 44 Following its adoption by Council implement year one actions from the Information Technology Strategy 2018-2022
- 45 In alignment with implementation of the Digital Strategy develop organisational capacity to review and improve business processes and applications
- 46 Improve access to data and analytics to support improved decision making

### Council plan theme 4: Resources

- 47 Maintain Council's financial sustainability as measured by key financial indicators
- 48 Investigate alternative revenue sources to reduce Council's reliance on rate revenue
- 49 Develop a strategic business plan to guide the ongoing operation and financial sustainability of FRRRC
- 50 Continue to develop and review asset management plans to ensure Council's assets meet community needs

### Council plan theme 4: People

- 51 Investigate asset sales as a funding source for the delivery of the Long Term Infrastructure Plan (LTIP)
- 52 Ensure a Workforce Plan is in place to create a sustainable workforce
- 53 Enhance the employee value proposition to improve the employee experience

## Service performance outcome indicators

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

## 2.2 Performance statement

The service performance indicators detailed in the preceding pages will be reported in the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2019-2020 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.

## 2.3 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
A planned city	57,225	59,370	2,145
A liveable city	64,536	105,649	41,113
A well governed city	2,834	2,837	3
A well managed city	17,893	19,301	1,408
<b>Total services and initiatives</b>	<b>142,488</b>	<b>187,157</b>	<b>44,669</b>
<b>Non attributable expenditure</b>			
Depreciation	31,872		
Capital works program	(47,810)		
Finance costs	1,481		
Written down value of assets	300		
Other non attributable	(2,056)		
<b>Deficit before funding sources</b>	<b>126,275</b>		
<b>Funding sources</b>			
Rates and charges	100,081		
Waste charges	26,613		
Victoria Grants Commission	8,472		
Investment income	1,000		
Proceeds from sale of assets	1,290		
Contributions - non monetary assets	800		
Contributions - monetary	915		
Capital funding	9,193		
<b>Total funding sources</b>	<b>148,364</b>		
<b>Surplus for the year</b>	<b>22,089</b>		

### 3. Financial statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the year 2019-2020 has been supplemented with projections to 2023-2024 extracted from the Strategic Resource Plan.

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

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

#### Pending Accounting Standards

The 2019-2020 budget has been prepared based on the accounting standards applicable at the date of preparation. This means that pending accounting standards that will be in effect from the 2019-2020 financial year have not been considered in the development of the budget.

Standards that are likely to impact on the 2019-2020 financial statements, not considered in the preparation of the budget include:

- AASB 16 Leases
- AASB 15 Revenue from Contracts with Customers
- AASB 1058 Income of Not for Profit Entities

While it is not possible to determine the precise impact of these standards at this time, the broad impact on Council is estimated to be as follows:

- AASB 16 Leases – Introduces a single lessee accounting model whereby the Council will be required to recognise a right of use asset and associated liability for leases longer than 12 months, except those considered to be of low value
- AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not for Profit Entities – Change the way that Councils recognise income and also address matters such as grant funding, contribution of assets and volunteer services. A key change is replacement for some transactions of the criteria of control as a determinant of the timing of income recognition, with the criteria of satisfying performance obligations in an enforceable agreement. These new standards have the potential to impact the timing of how the Council recognises income

Budgeted Consolidated Comprehensive Income Statement  
For the five years ended 30 June 2024

	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
<b>Income</b>						
Rates and charges	121,455	126,694	129,969	133,370	136,862	140,563
Statutory fees and fines	5,805	6,141	6,202	6,264	6,327	6,390
User fees	25,591	26,198	27,133	27,986	28,989	30,030
Grants - operating	19,128	18,297	18,481	18,666	18,852	19,041
Grants - capital	6,082	8,463	31,105	25,610	6,545	2,596
Contributions - monetary	4,160	1,645	1,618	915	915	915
Contributions - non-monetary	800	800	800	800	800	800
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	715	990	1,264	584	532	473
Other income	4,869	4,228	4,309	4,392	4,477	4,564
<b>Total income</b>	<b>188,605</b>	<b>193,456</b>	<b>220,881</b>	<b>218,587</b>	<b>204,299</b>	<b>205,372</b>
<b>Expenses</b>						
Employee costs	74,716	76,331	78,661	81,414	84,264	87,213
Materials and services	56,262	57,451	58,986	60,578	62,233	63,809
Bad and doubtful debts	254	220	220	220	220	220
Depreciation and amortisation	31,581	31,872	33,066	34,494	36,084	37,147
Borrowing costs	1,573	1,481	1,455	1,431	1,404	1,378
Other expenses	3,743	4,012	4,136	4,264	4,396	4,532
<b>Total expenses</b>	<b>168,129</b>	<b>171,367</b>	<b>176,524</b>	<b>182,401</b>	<b>188,601</b>	<b>194,299</b>
<b>Surplus/(deficit) for the year</b>	<b>20,476</b>	<b>22,089</b>	<b>44,357</b>	<b>36,186</b>	<b>15,698</b>	<b>11,073</b>
<b>Other comprehensive income</b>						
Net asset revaluation increment /(decrement)	-	-	-	-	-	-
<b>Total comprehensive result</b>	<b>20,476</b>	<b>22,089</b>	<b>44,357</b>	<b>36,186</b>	<b>15,698</b>	<b>11,073</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			
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Surplus/(deficit) for the year</b>	<b>20,476</b>	<b>22,089</b>	<b>44,357</b>	<b>36,186</b>	<b>15,698</b>	<b>11,073</b>
<b>Add back non-cash items:</b>						
Depreciation and amortisation	31,581	31,872	33,066	34,494	36,084	37,147
Contributions - non-monetary	(800)	(800)	(800)	(800)	(800)	(800)
Write down value of assets disposed	500	300	2,300	500	500	500
	<b>31,281</b>	<b>31,372</b>	<b>34,566</b>	<b>34,194</b>	<b>35,784</b>	<b>36,847</b>
<b>Less non-operating cash items:</b>						
Capital works expenditure	56,432	46,310	82,156	75,044	45,954	42,568
Transfers to/(from) reserves	(771)	6,831	(3,578)	(5,034)	5,136	4,925
Repayment of borrowings	7,023	320	345	370	392	427
	<b>62,684</b>	<b>53,461</b>	<b>78,923</b>	<b>70,380</b>	<b>51,482</b>	<b>47,920</b>
Cash surplus/(deficit) for the year	(10,927)	-	-	-	-	-
Accumulated cash surplus/(deficit) b/fwd	11,427	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>

## Adjusted underlying result

Adjusted Underlying Result	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>						
Total income	188,605	193,456	220,881	218,587	204,299	205,372
Total expenses	(168,129)	(171,367)	(176,524)	(182,401)	(188,601)	(194,299)
<b>Surplus for the year</b>	<b>20,476</b>	<b>22,089</b>	<b>44,357</b>	<b>36,186</b>	<b>15,698</b>	<b>11,073</b>
<b>Less non-operating income and expenditure</b>						
Grants - capital	(6,082)	(8,463)	(31,105)	(25,610)	(6,545)	(2,596)
Contributions - monetary	(4,160)	(1,645)	(1,618)	(915)	(915)	(915)
Contributions - non-monetary	(800)	(800)	(800)	(800)	(800)	(800)
<b>Adjusted Underlying surplus (deficit)</b>	<b>9,434</b>	<b>11,181</b>	<b>10,834</b>	<b>8,861</b>	<b>7,438</b>	<b>6,762</b>

Budgeted Consolidated Balance Sheet  
For the five years ended 30 June 2024

	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	55,430	60,292	56,367	51,040	55,869	59,272
Trade and other receivables	15,080	15,547	16,029	16,526	17,038	17,566
Other financial assets	27,298	28,144	29,016	29,915	30,842	31,798
Inventories	213	220	227	234	241	248
Other assets	2,220	2,293	2,364	2,437	2,513	2,591
<b>Total current assets</b>	<b>100,241</b>	<b>106,496</b>	<b>104,003</b>	<b>100,152</b>	<b>106,503</b>	<b>111,475</b>
<b>Non-current assets</b>						
Trade and other receivables	1,283	1,158	1,033	908	783	1,858
Other financial assets	6,500	7,500	7,500	7,500	7,500	7,500
Intangible assets	1,303	2,883	3,033	3,183	3,333	3,483
Property, infrastructure, plant and equipment	1,708,156	1,721,514	1,768,954	1,809,654	1,819,674	1,825,245
<b>Total non-current assets</b>	<b>1,717,242</b>	<b>1,733,055</b>	<b>1,780,520</b>	<b>1,821,245</b>	<b>1,831,290</b>	<b>1,838,086</b>
<b>Total assets</b>	<b>1,817,483</b>	<b>1,839,551</b>	<b>1,884,523</b>	<b>1,921,397</b>	<b>1,937,793</b>	<b>1,949,561</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Trade and other payables	14,001	14,351	14,710	15,078	15,455	15,841
Provisions	17,864	17,754	18,293	18,909	19,545	20,202
Interest-bearing loans and borrowings	320	345	369	391	426	454
<b>Total current liabilities</b>	<b>32,185</b>	<b>32,450</b>	<b>33,372</b>	<b>34,378</b>	<b>35,426</b>	<b>36,497</b>
<b>Non-current liabilities</b>						
Provisions	1,991	2,051	2,113	2,187	2,264	2,343
Interest-bearing loans and borrowings	27,748	27,403	27,034	26,642	26,215	25,760
<b>Total non-current liabilities</b>	<b>29,739</b>	<b>29,454</b>	<b>29,147</b>	<b>28,829</b>	<b>28,479</b>	<b>28,103</b>
<b>Total liabilities</b>	<b>61,924</b>	<b>61,904</b>	<b>62,519</b>	<b>63,207</b>	<b>63,905</b>	<b>64,600</b>
<b>Net assets</b>	<b>1,755,558</b>	<b>1,777,647</b>	<b>1,822,004</b>	<b>1,858,190</b>	<b>1,873,888</b>	<b>1,884,961</b>
<b>Equity</b>						
Accumulated surplus	711,058	726,316	774,251	815,471	826,033	832,181
Reserves	1,044,500	1,051,331	1,047,753	1,042,719	1,047,855	1,052,780
<b>Total equity</b>	<b>1,755,558</b>	<b>1,777,647</b>	<b>1,822,004</b>	<b>1,858,190</b>	<b>1,873,888</b>	<b>1,884,961</b>



Budgeted Consolidated Statement of Changes in Equity  
For the five years ended 30 June 2024

	Total	Accumulated	Revaluation	Other
	\$'000	Surplus	Reserve	Reserves
	\$'000	\$'000	\$'000	\$'000
<b>2020</b>				
Balance at beginning of the financial year	1,755,558	711,058	970,833	73,667
Comprehensive result	22,089	22,089		
Transfer to reserves		(12,503)		12,503
Transfer from reserves		5,672		(5,672)
<b>Balance at end of the financial year</b>	<b>1,777,647</b>	<b>726,316</b>	<b>970,833</b>	<b>80,498</b>
<b>2021</b>				
Balance at beginning of the financial year	1,777,647	726,316	970,833	80,498
Comprehensive result	44,357	44,357		
Transfer to reserves		(12,423)		12,423
Transfer from reserves		16,001		(16,001)
<b>Balance at end of the financial year</b>	<b>1,822,004</b>	<b>774,251</b>	<b>970,833</b>	<b>76,920</b>
<b>2022</b>				
Balance at beginning of the financial year	1,822,004	774,251	970,833	76,920
Comprehensive result	36,186	36,186		
Transfer to reserves		(12,072)		12,072
Transfer from reserves		17,106		(17,106)
<b>Balance at end of the financial year</b>	<b>1,858,190</b>	<b>815,471</b>	<b>970,833</b>	<b>71,886</b>
<b>2023</b>				
Balance at beginning of the financial year	1,858,190	815,471	970,833	71,886
Comprehensive result	15,698	15,698		
Transfer to reserves		(11,361)		11,361
Transfer from reserves		6,225		(6,225)
<b>Balance at end of the financial year</b>	<b>1,873,888</b>	<b>826,033</b>	<b>970,833</b>	<b>77,022</b>
<b>2024</b>				
Balance at beginning of the financial year	1,873,888	826,033	970,833	77,022
Comprehensive result	11,073	11,073		
Transfer to reserves		(9,779)		9,779
Transfer from reserves		4,854		(4,854)
<b>Balance at end of the financial year</b>	<b>1,884,961</b>	<b>832,181</b>	<b>970,833</b>	<b>81,947</b>

Budgeted Consolidated Statement of Cash Flows  
For the five years ended 30 June 2024

	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>						
<i>Receipts</i>						
Rates and charges	121,455	126,694	129,969	133,370	136,862	140,563
Statutory fees and fines	5,805	6,141	6,202	6,264	6,327	6,390
User fees	25,591	26,198	27,133	27,986	28,989	30,030
Grants - operating	19,128	18,297	18,481	18,666	18,852	19,041
Grants - capital	6,082	8,463	31,105	25,610	6,545	2,596
Contributions - monetary	4,160	1,645	1,618	915	915	915
Other receipts	18,282	2,259	3,962	4,099	4,170	3,042
<i>Payments</i>						
Employee costs	(74,716)	(76,331)	(78,661)	(81,414)	(84,264)	(87,213)
Materials and services	(56,516)	(57,671)	(59,206)	(60,798)	(62,453)	(64,029)
Other payments	(3,743)	(4,012)	(4,136)	(4,264)	(4,396)	(4,532)
<b>Net cash provided by operating activities</b>	<b>65,528</b>	<b>51,683</b>	<b>76,467</b>	<b>70,434</b>	<b>51,547</b>	<b>46,803</b>
<b>Cash flows from investing activities</b>						
Payments for property, infrastructure, plant and equipment	(56,432)	(46,310)	(82,156)	(75,044)	(45,954)	(42,568)
Proceeds from sale of property, infrastructure, plant and equipment	1,215	1,290	3,564	1,084	1,032	973
<b>Net cash used in investing activities</b>	<b>(55,217)</b>	<b>(45,020)</b>	<b>(78,592)</b>	<b>(73,960)</b>	<b>(44,922)</b>	<b>(41,595)</b>
<b>Cash flows from financing activities</b>						
Finance costs	(1,573)	(1,481)	(1,455)	(1,431)	(1,404)	(1,378)
Repayment of borrowings	(7,023)	(320)	(345)	(370)	(392)	(427)
<b>Net cash used in financing activities</b>	<b>(8,596)</b>	<b>(1,801)</b>	<b>(1,800)</b>	<b>(1,801)</b>	<b>(1,796)</b>	<b>(1,805)</b>
Net increase (decrease) in cash and cash equivalents	1,715	4,862	(3,925)	(5,327)	4,829	3,403
Cash and cash equivalents at the beginning of the period	53,715	55,430	60,292	56,367	51,040	55,869
<b>Cash and cash equivalents at end of the year</b>	<b>55,430</b>	<b>60,292</b>	<b>56,367</b>	<b>51,040</b>	<b>55,869</b>	<b>59,272</b>

Budgeted Consolidated Statement of Capital Works  
For the five year ended 30 June 2024

	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>						
Land						
Land improvements						
Buildings	13,950	16,015	48,582	36,994	19,600	10,171
Building improvements	32	-	-	-	-	-
<b>Total property</b>	<b>13,982</b>	<b>16,015</b>	<b>48,582</b>	<b>36,994</b>	<b>19,600</b>	<b>10,171</b>
<b>Plant and equipment</b>						
Plant, machinery and equipment	2,270	2,969	2,956	3,125	3,001	2,548
Fixtures, fittings and furniture	481	145	143	291	367	147
Computers and telecommunications	3,340	3,190	1,523	1,756	2,001	2,444
Library books	700	700	715	730	746	870
<b>Total plant and equipment</b>	<b>6,791</b>	<b>7,004</b>	<b>5,337</b>	<b>5,902</b>	<b>6,115</b>	<b>6,009</b>
<b>Infrastructure</b>						
Roads	9,790	4,250	5,303	4,044	4,647	6,381
Bridges	836	450	459	365	373	435
Footpaths and cycleways	3,472	1,545	1,633	2,082	1,652	2,235
Drainage	893	1,260	3,756	5,298	4,093	4,259
Recreational, leisure and community facilities	13,808	6,731	4,289	4,409	4,937	6,429
Waste management	282	150	-	-	320	-
Parks, open space and streetscapes	5,188	6,201	13,505	15,244	4,689	6,269
Off street car parks	2,307	1,735	496	1,456	288	924
Other infrastructure	583	2,470	296	750	740	956
<b>Total infrastructure</b>	<b>37,159</b>	<b>24,791</b>	<b>29,737</b>	<b>33,648</b>	<b>21,739</b>	<b>27,888</b>
<b>Total capital works expenditure</b>	<b>57,932</b>	<b>47,810</b>	<b>83,656</b>	<b>76,544</b>	<b>47,454</b>	<b>44,068</b>
<b>Represented by:</b>						
Asset renewal expenditure	26,069	23,330	23,975	22,247	21,651	25,265
New asset expenditure	20,676	12,440	30,067	33,581	19,382	9,964
Asset upgrade expenditure	9,858	8,847	26,571	20,351	6,085	8,676
Asset expansion expenditure	1,329	3,193	3,043	365	336	163
<b>Total capital works expenditure</b>	<b>57,932</b>	<b>47,810</b>	<b>83,656</b>	<b>76,544</b>	<b>47,454</b>	<b>44,068</b>

Budgeted Consolidated Statement of Human Resources  
For the five year ended 30 June 2024

	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>						
Employee Costs - operating	73,311	74,729	77,059	79,812	82,662	85,611
Employee Costs - capital	1,405	1,602	1,602	1,602	1,602	1,602
<b>Total staff expenditure</b>	<b>74,716</b>	<b>76,331</b>	<b>78,661</b>	<b>81,414</b>	<b>84,264</b>	<b>87,213</b>
	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
<b>Staff numbers</b>						
Employees	823	823	823	823	823	823
<b>Total staff numbers</b>	<b>823</b>	<b>823</b>	<b>823</b>	<b>823</b>	<b>823</b>	<b>823</b>

Department	Comprises		
	Budget	Permanent	Permanent
	2019/20	Full time	Part time
	\$'000	\$'000	\$'000
Chief Executive Officer	714	714	-
Human Resources	1,573	1,516	57
Corporate Management	658	658	-
Recycling Services	725	725	-
Business & Information Technology	3,076	2,811	265
Financial & Corporate Planning	2,494	2,311	183
Administration and Corporate Projects	1,440	1,258	182
Commercial Services	1,144	1,060	84
Assets Management	434	434	-
Communities Management	443	443	-
Community Strengthening	4,359	3,264	1,095
Family Health Support Services	13,899	3,179	10,720
Arts and Culture	5,634	3,234	2,400
Community Safety	6,349	4,660	1,689
Community Relations	3,740	1,873	1,867
Operations	11,620	11,571	49
Planning and Environment	3,076	2,723	353
Engineering Services	1,539	1,430	109
Facilities	1,433	1,433	-
Capital Works Delivery	2,055	2,055	-
Sustainable Assets	2,107	2,107	-
CAA Development	74	74	-
Peninsula Leisure Pty Ltd	3,095	2,421	674
Total permanent staff expenditure	71,681	51,954	19,727
Casual and other expenditure	6,252		
Capitalised labour costs	(1,602)		
<b>Total expenditure</b>	<b>76,331</b>		

Department	Comprises		
	Budget 2019/20	Permanent Full time	Permanent Part time
	FTE	FTE	FTE
Chief Executive Officer	4.00	4.00	-
Human Resources	14.60	14.00	0.60
Corporate Management	3.00	3.00	-
Recycling Services	7.00	7.00	-
Business & Information Technology	28.46	25.00	3.46
Financial & Corporate Planning	23.70	22.00	1.70
Administration and Corporate Projects	14.12	12.00	2.12
Commercial Services	9.80	9.00	0.80
Assets Management	2.00	2.00	-
Communities Management	2.00	2.00	-
Community Strengthening	42.31	31.00	11.31
Family Health Support Services	144.67	31.00	113.67
Arts and Culture	58.45	30.00	28.45
Community Safety	68.41	45.00	23.41
Community Relations	38.83	17.00	21.83
Operations	139.67	139.00	0.67
Planning and Environment	28.71	25.00	3.71
Engineering Services	13.20	12.00	1.20
Facilities	11.00	11.00	-
Capital Works Delivery	17.00	17.00	-
Sustainable Assets	19.00	19.00	-
CAA Development	1.00	1.00	-
Peninsula Leisure Pty Ltd	37.00	25.00	12.00
Total permanent staff	727.93	503.00	224.93
Casual and other	95.25		
<b>Total staff</b>	<b>823.18</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	Indicator	Actual	Forecast	Budget	Strategic Resource Plan Projections				Trend
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	↑→↓
<b>Operating position</b>										
Adjusted underlying result	1	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	13.2%	5.9%	6.9%	6.2%	5.1%	4.2%	3.8%	↓
<b>Liquidity</b>										
Working capital	2	Current assets / current liabilities	252.7%	311.4%	328.2%	311.6%	291.3%	300.6%	305.4%	→
Unrestricted cash		Unrestricted cash/ current liabilities	50.4%	85.4%	111.8%	95.7%	75.5%	84.2%	88.1%	→
<b>Obligations</b>										
Loans and borrowings	3	Interest bearing loans and borrowings / rate revenue	30.1%	23.1%	21.9%	21.1%	20.3%	19.5%	18.6%	↓
Loans and borrowings		Interest and principal repayments on interest bearing loans and borrowings / rate revenue	2.3%	7.1%	1.4%	1.4%	1.4%	1.3%	1.3%	↓
Indebtedness		Non-current liabilities / own source revenue	19.5%	18.8%	17.9%	17.3%	16.7%	16.1%	15.4%	↓
Asset renewal	4	Asset renewal expenses / depreciation	91.6%	82.5%	73.2%	72.5%	64.5%	60.0%	68.0%	↓
<b>Stability</b>										
Rates concentration	5	Rate revenue / adjusted underlying revenue	66.0%	68.0%	68.8%	69.0%	69.4%	69.5%	69.6%	→
Rates effort		Rate revenue / CIV of rateable properties in the municipality	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	→

Indicator	Notes	Indicator	Actual	Forecast	Budget	Strategic Resource Plan Projections				Trend
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	↑→↓
<i>Efficiency</i>										
Expenditure level		Total expenses / no. of property assessments	\$2,471	\$2,712	\$2,729	\$2,775	\$2,830	\$2,889	\$2,938	→
Revenue level		Residential rate revenue / No. of residential property assessments	\$1,221	\$1,146	\$1,155	\$1,158	\$1,165	\$1,179	\$1,192	→
Workforce turnover		No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year	13.10%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	→

#### 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. Financial performance expected to decline over the period which means a higher 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 increase over the five year period, however will run down once funding the Council Plan strategic priorities are determined.
- 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 gradually become more reliant on rate revenue compared to all other revenue sources.



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

### 5.1 Grants - operating (\$0.831 million decrease)

Operating grants include all monies received from Victorian and Australian Government 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 2019-2020 Budget amount is based on the grant funding advised by the Grants Commission. Operating grants included in the Annual Budget 2019-2020 are projected to decrease compared to 2018-2019 forecast.

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

	Forecast 2018-2019 \$'000	Budget 2019-2020 \$'000	Variance \$'000
<b><i>Recurrent - Commonwealth Government</i></b>			
Victoria grants commission	8,389	8,472	83
Family health support	5,223	5,205	(18)
<b><i>Recurrent - State Government</i></b>			
Family health support services	2,781	2,814	33
Arts and culture	896	863	(33)
Community safety	570	481	(89)
Community strengthening	372	178	(194)
Operations	50	-	(50)
CAA development	97	-	(97)
<b>Total recurrent grants</b>	<b>18,378</b>	<b>18,013</b>	<b>(365)</b>
<b><i>Non-recurrent - Commonwealth Government</i></b>			
Family health support	40	81	41
<b><i>Non-recurrent - State Government</i></b>			
Other grants	121	122	1
Community strengthening	81	81	-
Recycling services	135	-	(135)
Family health support services	169	-	(169)
Arts and culture	35	-	(35)
Planning and environment	102	-	(102)
Financial and corporate planning	67	-	(67)
<b>Total non-recurrent grants</b>	<b>750</b>	<b>284</b>	<b>(466)</b>
<b>Total operating grants</b>	<b>19,128</b>	<b>18,297</b>	<b>(831)</b>

## 5.2 Grants - capital (\$2.381 million increase)

Capital grants include all monies received from Victorian, Australian and community sources for the purposes of funding the capital works program. Section 6 "Analysis of Capital Budget" includes a more detailed analysis of the grants expected to be received during the 2019-2020 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below.

	Forecast 2018-2019 \$'000	Budget 2019-2020 \$'000	Variance \$'000
<b>Recurrent - Commonwealth Government</b>			
Roads to Recovery	171	595	424
<b>Total recurrent grants</b>	<b>171</b>	<b>595</b>	<b>424</b>
<b>Non-recurrent - Commonwealth Government</b>			
Buildings	300	1,300	1,000
Building improvements	7	-	(7)
Recreational, leisure and community facilities	1,017	1,350	333
Other infrastructure	11	-	(11)
Plant, machinery and equipment	90	-	(90)
Parks, open space and streetscapes	124	-	(124)
<b>Non-recurrent - State Government</b>			
Buildings	423	3,400	2,977
Recreational, leisure and community facilities	3,290	900	(2,390)
Off street car parks	34	-	(34)
Other infrastructure	150	850	700
Parks, open space and streetscapes	350	68	(282)
Roads	15	-	(15)
Waste management	100	-	(100)
<b>Total non-recurrent grants</b>	<b>5,911</b>	<b>7,868</b>	<b>2,072</b>
<b>Total capital grants</b>	<b>6,082</b>	<b>8,463</b>	<b>2,496</b>

## 5.3 Statement of borrowings

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

	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
New borrowings	-	-	-	-	-	-
Principal paid	7,023	320	345	370	392	427
Interest paid	1,573	1,481	1,455	1,431	1,404	1,378
Balance 30 June	28,068	27,748	27,403	27,033	26,641	26,214

## 6. Detailed list of capital works

### Capital works program

For the year ending 30 June 2020

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>PROPERTY</b>									
<b>Buildings</b>									
Ballam Park - soccer pavilion	2,900	-	580	1,160	1,160	400	-	2,500	-
Overport Park - pavilion	2,320	-	464	928	928	100	100	2,120	-
RF Miles Recreation Reserve - pavilion	2,000	1,400	600	-	-	2,000	-	-	-
Monterey Reserve - soccer pavilion	1,300	-	260	520	520	1,300	-	-	-
Orwil Street community house - extension	700	-	140	280	280	-	-	700	-
Belvedere Bowls Club - building extension	600	-	120	240	240	600	-	-	-
Jubilee Park - netball centre construction	600	-	30	570	-	-	-	600	-
Structured recreation pavilions renewal	530	-	451	80	-	-	-	530	-
Centenary Park - sporting complex	500	500	-	-	-	-	-	500	-
Civic and operations facilities renewal	500	-	425	75	-	-	-	500	-
Peninsula Aquatic and Recreation Centre	500	-	500	-	-	-	-	500	-
Family support and aged services facilities renewal	450	-	383	68	-	-	-	450	-
Carrum Bowls Club Keast Park pavilion	380	-	76	304	-	200	100	80	-
Arts and culture renewal	360	-	306	54	-	-	-	360	-
RF Miles Recreation Reserve - reconstruction	347	243	104	-	-	-	-	347	-
Communities facilities renewal	250	-	213	38	-	-	-	250	-
Facility maintenance contract renewal	250	-	250	-	-	-	-	250	-
Facilities painting	250	-	250	-	-	-	-	250	-
Frankston Memorial Park - public toilet	200	200	-	-	-	-	-	200	-

## Capital works program

For the year ending 30 June 2020

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>PROPERTY</b>									
<b>Buildings</b>									
Jubilee Park - Kevin Collopy Pavilion	100	-	20	80	-	-	-	100	-
Skye Recreation Reserve - pavilion upgrade	100	-	20	40	40	100	-	-	-
Nairn Marr Djambana	100	50	-	25	25	-	-	100	-
Pines Aquatic Centre renewal	100	-	100	-	-	-	-	100	-
Centenary Park Golf Club Building extension excluding pro shop	75	-	23	53	-	-	-	75	-
Proposed Langwarrin library	75	75	-	-	-	-	-	75	-
Centenary Park Golf Course security upgrade and shed	70	35	-	35	-	-	-	70	-
Langwarrin men's shed	60	30	-	30	-	-	-	60	-
Belvedere Child and Family Centre	50	50	-	-	-	-	-	50	-
Belvedere Reserve - Linen House upgrade	50	-	-	50	-	-	-	50	-
Community halls renewal	50	-	50	-	-	-	-	50	-
Storm and vandalism renewal	50	-	50	-	-	-	-	50	-
Frankston coast guard	50	50	-	-	-	-	-	50	-
Concrete slab for Seaford farmers market shed	50	50	-	-	-	-	-	50	-
Frankston North Community Centre - annex	30	-	15	15	-	-	-	30	-
Frankston Arts Centre (internal lighting) - LED upgrade	20	-	10	10	-	-	-	20	-
Ebdale Community Hub - lamp upgrades to LEDs	19	-	10	10	-	-	-	19	-
Frankston Arts Centre (car park lighting) - LED upgrades	16	-	8	8	-	-	-	16	-
Peninsula Reserve - public toilet	10	10	-	-	-	-	-	10	-
Meals on wheels - T8 lamp upgrades to LEDs	3	-	2	2	-	-	-	3	-
<b>Total Buildings</b>	<b>16,015</b>	<b>2,693</b>	<b>5,457</b>	<b>4,672</b>	<b>3,193</b>	<b>4,700</b>	<b>200</b>	<b>11,115</b>	<b>-</b>
<b>TOTAL PROPERTY</b>	<b>16,015</b>	<b>2,693</b>	<b>5,457</b>	<b>4,672</b>	<b>3,193</b>	<b>4,700</b>	<b>200</b>	<b>11,115</b>	<b>-</b>

## Capital works program

For the year ending 30 June 2020

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>									
Plant and equipment replacement	1,424	-	1,424	-	-	-	-	1,424	-
Light vehicles replacement	1,200	-	1,200	-	-	-	-	1,200	-
Installation of CCTV cameras	100	100	-	-	-	-	-	100	-
Office furniture and equipment renewal	50	-	50	-	-	-	-	50	-
Noise monitor	45	45	-	-	-	-	-	45	-
Safe city surveillance system - CCTV camera renewal	40	-	32	8	-	-	-	40	-
Minor plant and equipment replacement	30	-	30	-	-	-	-	30	-
Litter bin replacement	25	-	25	-	-	-	-	25	-
Ticket machine replacement	20	-	20	-	-	-	-	20	-
Yamala Reserve - solar PV - Yamala Park bowling clubhouse	13	13	-	-	-	-	-	13	-
Solar PV - Delacombe Park football/cricket pavilion	12	12	-	-	-	-	-	12	-
Karingal PLACE Neighbourhood Centre - 8kW solar system	10	10	-	-	-	-	-	10	-
<b>Total plant, machinery and equipment</b>	<b>2,969</b>	180	2,781	8	-	-	-	2,969	-

## Capital works program

For the year ending 30 June 2020

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>Fixtures, fittings and furniture</b>	<b>145</b>	25	120	-	-	-	-	145	-
<b>Computers and telecommunications</b>									
New systems implementations	1,480	1,480	-	-	-	-	-	1,480	-
Core infrastructure renewal	1,200	-	1,200	-	-	-	-	1,200	-
SQL server renewal	200	-	200	-	-	-	-	200	-
Network and comms renewal	100	-	100	-	-	-	-	100	-
Microwave network renewal	80	-	80	-	-	-	-	80	-
GIS mapping renewal	50	-	50	-	-	-	-	50	-
Anti-virus software replacement	50	-	50	-	-	-	-	50	-
Libraries - booking system library meeting rooms	19	19	-	-	-	-	-	19	-
Reporting system renewal	11	-	11	-	-	-	-	11	-
<b>Total computers and telecommunications</b>	<b>3,190</b>	<b>1,499</b>	<b>1,691</b>	-	-	-	-	<b>3,190</b>	-
<b>Library books</b>	<b>700</b>	-	700	-	-	-	-	700	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>7,004</b>	<b>1,704</b>	<b>5,292</b>	<b>8</b>	-	-	-	<b>7,004</b>	-

## Capital works program

For the year ending 30 June 2020

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>INFRASTRUCTURE</b>									
<b>Roads</b>									
Road renewal	3,000	-	3,000	-	-	-	-	3,000	-
Roads to Recovery	595	-	298	298	-	595	-	-	-
Kerb renewal	320	-	320	-	-	-	-	320	-
Barretts Road - special charge scheme	100	-	-	100	-	-	-	100	-
Liddesdale Avenue landslip remediation	100	-	50	50	-	-	-	100	-
Kerb and channel construction - various locations	50	50	-	-	-	-	-	50	-
Taylor's Road - road investigation	50	-	-	50	-	-	-	50	-
Warringa Road - improved road surface	35	-	28	7	-	-	-	35	-
<b>Total roads</b>	<b>4,250</b>	50	3,696	505	-	595	-	3,655	-
<b>Footpaths and cycleways</b>									
Footpath renewal program	700	-	700	-	-	-	-	700	-
Pathway renewal - Council reserves	200	-	200	-	-	-	-	200	-
North Road - pathway - (South side)	180	180	-	-	-	-	-	180	-
CAA streetscape - footpath / pedestrian renewal works	100	-	100	-	-	-	-	100	-
Shared path renewals	100	-	100	-	-	-	-	100	-
Seaford Wetlands - recreational connections	95	95	-	-	-	-	-	95	-
Bay Trail footpath renewal - Beach Street to Mile Bridge	70	-	70	-	-	-	-	70	-
Bicycle path safety upgrades	40	-	40	-	-	-	-	40	-
Baxter Trail improvements	30	-	9	21	-	-	-	30	-
Brighton Street - shared pathway	30	30	-	-	-	-	-	30	-
<b>Total footpaths and cycleways</b>	<b>1,545</b>	305	1,219	21	-	-	-	1,545	-



## Capital works program

For the year ending 30 June 2020

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>Recreational, leisure and community facilities</b>									
Frankston Park oval 1 lighting	1,850	1,850	-	-	-	1,500	150	200	-
Playground strategy implementation	1,236	-	1,236	-	-	-	-	1,236	-
Sporting grounds - playing surface renewal	1,190	-	833	357	-	-	-	1,190	-
Delacombe Park Reserve - soccer 1 lighting	500	-	250	250	-	500	-	-	-
Sports lighting renewal	400	-	280	120	-	200	-	200	-
Centenary Park Golf Course irrigation upgrade	290	-	232	58	-	-	-	290	-
Cricket net replacement	250	-	250	-	-	-	-	250	-
Irrigation and drainage systems at Council reserves renewal	200	-	140	60	-	-	-	200	-
Centenary Park Golf Course master plan	150	60	30	60	-	-	-	150	-
Dunsterville Reserve - new sub-local playground	150	150	-	-	-	-	-	150	-
Overport Park - bike track design and construction	110	110	-	-	-	-	-	110	-
Carrum Downs Recreation Reserve master plan	50	25	-	25	-	-	-	50	-
Frankston Park - coaches box	50	-	40	10	-	50	-	-	-
Playground improvements/demolition	50	-	40	10	-	-	-	50	-
Lighting design for Lawton Reserve	50	38	-	13	-	-	-	50	-
Ballam Park - West oval athletics hammer throw cage	50	-	40	10	-	-	-	50	-
Playground undersurfacing renewal	40	-	40	-	-	-	-	40	-
Overport Park - Frankston Dolphins netball courts	35	35	-	-	-	-	-	35	-
Sporting ground goal post replacement	30	-	30	-	-	-	-	30	-
Baxter Park - develop equestrian master plan	30	30	-	-	-	-	-	30	-
Sporting ground - pitch cover upgrade and renewal	20	-	20	-	-	-	-	20	-
<b>Total recreational, leisure and community facilities</b>	<b>6,731</b>	<b>2,297</b>	<b>3,461</b>	<b>973</b>	<b>-</b>	<b>2,250</b>	<b>150</b>	<b>4,331</b>	<b>-</b>

## Capital works program

For the year ending 30 June 2020

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>Bridges</b>									
Minor bridge and pedestrian structures	200	-	200	-	-	-	-	200	-
Major bridges	250	-	250	-	-	-	-	250	-
<b>Total bridges</b>	<b>450</b>	-	450	-	-	-	-	450	-
<b>Drainage</b>									
Easement drainage pit alterations	200	-	200	-	-	-	-	200	-
Gatic pit lid renewal program	200	-	200	-	-	-	-	200	-
Drainage pipes and pits	100	-	100	-	-	-	-	100	-
Drainage - Council reserves	100	-	100	-	-	-	-	100	-
Frankston South drainage strategy - Murawa Street Catchment	100	30	30	40	-	-	-	100	-
Design and scoping for Frankston South drainage strategy	100	-	-	100	-	-	-	100	-
Frankston South Drainage Strategy - Esplanade	100	-	50	50	-	-	-	100	-
Frankston Park and Beauty Park - Stormwater treatment	80	80	-	-	-	-	-	80	-
Minor drainage works	50	25	13	13	-	-	-	50	-
Wangarra McMahons Road catchment strategy	50	15	15	20	-	-	-	50	-
Renewal of existing water sensitive urban design assets	50	-	50	-	-	-	-	50	-
Frankston drainage strategy	50	15	15	20	-	-	-	50	-
Water sensitive urban design	50	50	-	-	-	-	-	50	-
Flood and catchment modelling	20	6	6	8	-	-	-	20	-
Lloyd Park drainage	10	3	3	4	-	-	-	10	-
<b>Total drainage</b>	<b>1,260</b>	224	782	255	-	-	-	1,260	-
<b>Waste management</b>									
Waste management	150	25	50	75	-	-	-	150	-
<b>Waste management</b>	<b>150</b>	25	50	75	-	-	-	150	-

## Capital works program

For the year ending 30 June 2020

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>Parks, open space and streetscapes</b>									
Renew 6,996 T5 (30.5W) street lights to 17W LED lights.	725	-	725	-	-	68	-	657	-
Clyde St Mall - upgrade	650	130	130	390	-	-	280	370	-
Station Street Mall upgrade (stage 1)	400	80	80	240	-	-	100	300	-
Downs Estate - infrastructure upgrade	350	350	-	-	-	-	-	350	-
Station Street Mall - streetscape upgrade (stage 2)	280	56	56	168	-	-	-	280	-
Frankston Park - reconfigure eastern end of oval	250	-	100	150	-	-	-	250	-
Sculpture public artwork development	200	200	-	-	-	-	-	200	-
CAA - greening and improvement	200	200	-	-	-	-	-	200	-
Retaining wall renewal	200	60	140	-	-	-	-	200	-
Shopping strip aesthetics upgrade	180	-	54	126	-	-	-	180	-
Evelyn Street and O'Grady Avenue improvements	180	36	72	72	-	-	-	180	-
Frankston foreshore - signage and lighting	175	175	-	-	-	-	-	175	-
Boundary fencing replacement	150	-	120	30	-	-	-	150	-
Ballam Park - master plan implementation	140	70	-	70	-	-	-	140	-
Frankston CAA - laneway activation	140	140	-	-	-	-	-	140	-
Boulevards and gateway treatments	130	26	26	78	-	-	-	130	-
Shannon Mall - streetscape upgrade	100	20	20	60	-	-	-	100	-
Open space renewal	100	-	80	20	-	-	-	100	-
Erosion control fence renewal - Seaford/Frankston foreshore	100	-	70	30	-	-	-	100	-
Barrier and guard rail renewal	100	-	100	-	-	-	-	100	-
Ball protection fences	100	100	-	-	-	-	-	100	-

## Capital works program

For the year ending 30 June 2020

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>Parks, open space and streetscapes</b>									
Foreshore disability access and inclusion implementation	80	80	-	-	-	-	-	80	-
Fence upgrade - Council reserves	80	-	40	40	-	-	-	80	-
Frankston foreshore - aquatic risk assesment on the foreshore	75	75	-	-	-	-	-	75	-
Frankston foreshore - 3 phase power at beach front	75	75	-	-	-	-	-	75	-
Kananook Creek - 2 viewing platforms	75	75	-	-	-	-	-	75	-
Seaford foreshore illumination lighting	70	70	-	-	-	-	-	70	-
Local park upgrade program for parks in Frankston	60	18	18	24	-	-	-	60	-
New park way finding signage	55	55	-	-	-	-	-	55	-
Gateway development - McClelland Gallery and Peninsula Link	51	51	-	-	-	-	-	51	-
Foreshore pedestrian and beach entrances renewal	50	-	50	-	-	-	-	50	-
Foreshore minor infrastructure renewal	50	5	35	10	-	-	-	50	-
Public artworks renewal	50	-	50	-	-	-	-	50	-
Lighting for sporting reserves	50	50	-	-	-	-	-	50	-
Langwarrin equestrian centre - develop masterplan	50	50	-	-	-	-	-	50	-
Kananook Creek - dredging and entrance redesign	50	25	-	25	-	-	-	50	-
Coastal safe boat refuge	50	50	-	-	-	-	-	50	-
Shade sail at Montague Park playground	40	40	-	-	-	-	-	40	-
Shade sail - Seaford Pier	40	40	-	-	-	-	-	40	-
Shade sail - Southgateway Park	40	40	-	-	-	-	-	40	-
Signage - various reserves	30	-	21	9	-	-	-	30	-
Street lighting renewal	30	-	30	-	-	-	-	30	-

## Capital works program

For the year ending 30 June 2020

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>Parks, open space and streetscapes</b>									
Seaford foreshore - beach access design and upgrade	30	27	3	-	-	-	-	30	-
Wittenberg Reserve - upgrade design	30	-	15	15	-	-	-	30	-
Frankston North gateway developments - Excelsior Drive	30	30	-	-	-	-	-	30	-
Frankston North gateway developments - Monterey Boulevard	30	30	-	-	-	-	-	30	-
Frankston North gateway developments - Forest Drive	30	30	-	-	-	-	-	30	-
Frankston North gateway developments - Dandenong Road	30	30	-	-	-	-	-	30	-
White Street Mall upgrade	20	4	4	12	-	-	-	20	-
<b>Total parks, open space and streetscapes</b>	<b>6,201</b>	2,593	2,039	1,569	-	68	380	5,753	-
<b>Off Street Car Parks</b>									
Overport Park - carpark and pathways	1,015	609	101	304	-	-	-	1,015	-
Carpark program	700	-	700	-	-	-	-	700	-
Linen House carpark	20	-	10	10	-	-	-	20	-
<b>Total Off Street Car Parks</b>	<b>1,735</b>	609	811	314	-	-	-	1,735	-

## Capital works program

For the year ending 30 June 2020

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>Other Infrastructure</b>									
Seaford Precinct - local area traffic management	800	640	-	160	-	400	-	400	-
Sweetwater Precinct - local area traffic management	500	400	-	100	-	250	-	250	-
Woodlands Precinct - local area traffic management	450	360	-	90	-	-	-	450	-
Fairway Precinct - local area traffic management	400	320	-	80	-	200	-	200	-
Minor traffic treatments.	100	80	-	20	-	-	-	100	-
Cranbourne Road bluestone retaining walls	80	80	-	-	-	-	-	80	-
Local area traffic management - renewal program	50	-	50	-	-	-	-	50	-
Street lighting upgrades	30	-	24	6	-	-	-	30	-
Pines Patch community garden - disability access	30	30	-	-	-	-	-	30	-
Hartnett Drive - local area traffic management	30	30	-	-	-	-	-	30	-
<b>Total Other Infrastructure</b>	<b>2,470</b>	<b>1,940</b>	<b>74</b>	<b>456</b>	<b>-</b>	<b>850</b>	<b>-</b>	<b>1,620</b>	<b>-</b>
<b>TOTAL INFRASTRUCTURE</b>	<b>24,791</b>	<b>8,043</b>	<b>12,581</b>	<b>4,167</b>	<b>-</b>	<b>3,763</b>	<b>530</b>	<b>20,498</b>	<b>-</b>
<b>TOTAL NEW CAPITAL WORKS 2019-2020</b>	<b>47,810</b>	<b>12,440</b>	<b>23,330</b>	<b>8,847</b>	<b>3,193</b>	<b>8,463</b>	<b>730</b>	<b>38,617</b>	<b>-</b>
<b>2. Summary</b>									
PROPERTY	16,015	2,693	5,457	4,672	3,193	4,700	200	11,115	-
PLANT AND EQUIPMENT	7,004	1,704	5,292	8	-	-	-	7,004	-
INFRASTRUCTURE	24,791	8,043	12,581	4,167	-	3,763	530	20,498	-
<b>TOTAL CAPITAL WORKS</b>	<b>47,810</b>	<b>12,440</b>	<b>23,330</b>	<b>8,847</b>	<b>3,193</b>	<b>8,463</b>	<b>730</b>	<b>38,617</b>	<b>-</b>

## Capital works program

For the year ending 30 June 2020

### 6.2. Works carried forward from the 2018-2019 year

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>PROPERTY</b>									
<b>Buildings</b>									
Fit out of the Frankston Yacht Club	830	830	-	-	-	-	-	830	-
Skye Recreation Reserve soccer pavilion	500	400	100	-	-	-	-	500	-
<b>Total Buildings</b>	<b>1,330</b>	<b>1,230</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,330</b>	<b>-</b>
<b>TOTAL PROPERTY</b>	<b>1,330</b>	<b>1,230</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,330</b>	<b>-</b>
<b>PLANT AND EQUIPMENT</b>									
<b>Computers and Telecommunications</b>									
Software upgrade and renewal	1,267	647	305	315	-	-	-	1,267	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>1,267</b>	<b>647</b>	<b>305</b>	<b>315</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,267</b>	<b>-</b>

## Capital works program

For the year ending 30 June 2020

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>INFRASTRUCTURE</b>									
<b>Parks, open space and streetscapes</b>									
Station Street Mall upgrade	600	-	-	600	-	250	-	350	-
Oliver's Hill coast breakwater and coast guard	120	120	-	-	-	-	-	120	-
<b>Total bridges</b>	<b>720</b>	120	-	600	-	250	-	470	-
<b>Recreational, leisure and community facilities</b>									
Frankston Park oval lighting	650	650	-	-	-	1,650	-	(1,000)	-
Langwarrin netball courts renewal	200	-	200	-	-	-	-	200	-
Seaford sub-station	50	50	-	-	-	-	-	50	-
<b>Total recreational, leisure and community facilities</b>	<b>900</b>	700	200	-	-	1,650	-	750	-
<b>Waste Management</b>									
Frankston tip risk management strategy	32	25	7	-	-	-	-	32	-
<b>Total waste management</b>	<b>32</b>	25	7	-	-	-	-	32	-
<b>TOTAL INFRASTRUCTURE</b>	<b>1,652</b>	<b>845</b>	<b>207</b>	<b>600</b>	<b>-</b>	<b>1,900</b>	<b>-</b>	<b>(248)</b>	<b>-</b>
<b>TOTAL CARRIED FORWARD CAPITAL WORKS 2018-2019</b>	<b>4,249</b>	<b>2,722</b>	<b>612</b>	<b>915</b>	<b>-</b>	<b>1,900</b>	<b>-</b>	<b>2,349</b>	<b>-</b>
<b>2. Summary</b>									
PROPERTY	1,330	1,230	100	-	-	-	-	1,330	-
PLANT AND EQUIPMENT	1,267	647	305	315	-	-	-	1,267	-
INFRASTRUCTURE	1,652	845	207	600	-	1,900	-	(248)	-
<b>TOTAL CAPITAL WORKS</b>	<b>4,249</b>	<b>2,722</b>	<b>612</b>	<b>915</b>	<b>-</b>	<b>1,900</b>	<b>-</b>	<b>2,349</b>	<b>-</b>



## 7. Rates and charges

In developing the Strategic Resource Plan (referred to in Section 3), rates and charges were identified as an important source of revenue, accounting for 66 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 Victorian Government have introduced the Fair Go Rates System (FGRS) which sets out the maximum amount councils may increase rates in a year. For 2019-2020 the FGRS cap has been set at 2.50 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 2019-2020 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 2.50 per cent in line with the rate cap, the green waste charge by 5.00 per cent and the general waste charge by 7.5 per cent. This will raise total rates and charges for 2019-2020 of \$126.694 million, including \$0.769 million generated from supplementary rates.

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	2018-2019 cents/\$CIV	2019-2020 cents/\$CIV	Change
Ordinary rate	0.2165	<b>0.2320</b>	<b>7.13%</b>
Retirement villages	0.1624	<b>0.1740</b>	<b>7.13%</b>
Commercial land	0.2707	<b>0.2900</b>	<b>7.13%</b>
Industrial land	0.2707	<b>0.2900</b>	<b>7.13%</b>
Vacant residential land	0.2707	<b>0.2900</b>	<b>7.13%</b>
Acacia Heath	0.2300	<b>0.2458</b>	<b>6.89%</b>
Farm land	0.1732	<b>0.1856</b>	<b>7.13%</b>
Derelict land	0.6496	<b>0.6959</b>	<b>7.13%</b>
Rateable recreational properties	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 2018-2019 \$	Annualised rates levied 2018-2019 \$	Budget 2019-2020 \$	Change
Ordinary rate	72,471,472	72,780,885	<b>73,522,333</b>	<b>1.02%</b>
Retirement villages	251,335	251,322	<b>260,161</b>	<b>3.52%</b>
Commercial land	7,237,755	7,432,101	<b>8,043,795</b>	<b>8.23%</b>
Industrial land	4,463,623	4,611,571	<b>5,389,027</b>	<b>16.86%</b>
Vacant residential land	889,965	960,545	<b>962,509</b>	<b>0.20%</b>
Acacia Heath	469,200	444,193	<b>493,419</b>	<b>5.16%</b>
Farm land	38,285	38,277	<b>39,250</b>	<b>2.54%</b>
Derelict land	13,252	2,209	<b>2,053</b>	<b>(7.05%)</b>
Rateable recreational properties	242,001	242,007	<b>246,646</b>	<b>1.92%</b>
Rate by agreement (including Baxter Village)	117,029	145,730	<b>122,354</b>	<b>(16.04%)</b>
<b>Total amount to be raised by general rates</b>	<b>86,193,917</b>	<b>86,908,841</b>	<b>89,081,546</b>	<b>2.50%</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	2018-2019 Number	2019-2020 Number	Change
Ordinary rate	55,205	<b>55,627</b>	<b>0.76%</b>
Retirement villages	574	<b>574</b>	-
Commercial land	2,122	<b>2,104</b>	<b>(0.85%)</b>
Industrial land	2,920	<b>3,058</b>	<b>4.73%</b>
Vacant residential land	495	<b>594</b>	<b>20.00%</b>
Acacia Heath	239	<b>239</b>	-
Farm land	5	<b>5</b>	-
Derelict land	2	<b>1</b>	<b>(50.00%)</b>
Rateable recreational properties	5	<b>5</b>	-
Rate by agreement (including Baxter Village)	527	<b>520</b>	-
<b>Total number of assessments</b>	<b>62,094</b>	<b>62,727</b>	<b>1.02%</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	2018-2019 \$	2019-2020 \$	Change
Ordinary rate	33,617,037,001	31,694,212,501	-5.72%
Retirement villages	154,755,000	149,535,000	-3.37%
Commercial land	2,745,512,000	2,774,038,000	1.04%
Industrial land	1,703,572,500	1,858,496,500	9.09%
Vacant residential land	354,837,500	331,937,500	-6.45%
Acacia Heath	205,170,000	200,730,000	-2.16%
Farm land	22,100,000	21,150,000	-4.30%
Derelict land	340,000	295,000	-13.24%
Rateable recreational properties	164,000,000	156,085,000	-4.83%
Rate by agreement (including Baxter Village)	103,740,000	101,635,000	-2.03%
<b>Total value of land</b>	<b>39,071,064,001</b>	<b>37,288,114,501</b>	<b>-4.56%</b>

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

Type of charge	Per rateable property 2018-2019 \$	Per rateable property 2019-2020 \$	Change
Municipal	159.10	<b>163.10</b>	<b>2.50%</b>

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

Type of charge	2018-2019 \$	Annualised 2018-2019 \$	2019-2020 \$	Change
Municipal	9,879,695	9,979,866	<b>10,230,617</b>	<b>2.50%</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
	2018-2019	2019-2020	
	\$	\$	
Residential bin 240L	532.30	<b>572.20</b>	<b>7.5%</b>
Residential bin 120L	353.70	<b>380.20</b>	<b>7.5%</b>
Residential bin 80L	281.60	<b>302.70</b>	<b>7.5%</b>
Residential bin 120L (fortnightly pickup)	331.20	<b>356.00</b>	<b>7.5%</b>
Residential bin 80L (fortnightly pickup)	259.20	<b>278.60</b>	<b>7.5%</b>
Green waste bin (incl tenants)	138.55	<b>145.50</b>	<b>5.0%</b>
Commercial bin 120L	353.70	<b>380.20</b>	<b>7.5%</b>
Commercial bin 80L	281.60	<b>302.70</b>	<b>7.5%</b>
Commercial recycling bin	189.00	<b>203.20</b>	<b>7.5%</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	2018-2019	Annualised	2019-2020	Change
		2018-2019		
	\$	\$	\$	
Residential bin 240L	6,388	<b>6,388</b>	<b>6,866</b>	<b>7.5%</b>
Residential bin 120L	13,575,713	<b>13,623,463</b>	<b>14,644,163</b>	<b>7.5%</b>
Residential bin 80L	4,961,510	<b>5,047,962</b>	<b>5,426,200</b>	<b>7.5%</b>
Residential bin 120L (fortnightly pickup)	111,946	<b>102,341</b>	<b>110,004</b>	<b>7.5%</b>
Residential bin 80L (fortnightly pickup)	80,093	<b>73,613</b>	<b>79,122</b>	<b>7.5%</b>
Green waste bin (incl tenants)	5,440,581	<b>5,573,312</b>	<b>5,852,883</b>	<b>5.0%</b>
Commercial bin 120L	339,552	<b>339,198</b>	<b>364,612</b>	<b>7.5%</b>
Commercial bin 80L	61,389	<b>64,768</b>	<b>69,621</b>	<b>7.5%</b>
Commercial recycling bin	15,687	<b>15,876</b>	<b>17,069</b>	<b>7.5%</b>
Additional recycling bin	38,320	<b>41,831</b>	<b>42,953</b>	<b>2.7%</b>
<b>Total</b>	<b>24,631,179</b>	<b>24,888,751</b>	<b>26,613,494</b>	<b>6.9%</b>

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

Type of charge	2018-2019	Annualised	2019-2020	Change
		2018-2019		
	\$	\$	\$	
Rates and charges	120,704,790	121,777,458	<b>125,925,657</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 (2019-2020: estimated \$768,750, 2018-2019: \$750,000)
- 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

### 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 0.2320% for all rateable other land
- A general rate of 0.1740% for all rateable retirement village land
- A general rate of 0.2900% for all rateable commercial land
- A general rate of 0.2900% for all rateable industrial land
- A general rate of 0.2900% for all rateable vacant residential land
- A general rate of 0.2458% for all rateable Acacia Heath properties
- A general rate of 0.1856% for all rateable farm land
- A general rate of 0.6959% 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.

### 1. 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
2. Development and provision of health & community services
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 2019-2020.

## 2. 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
2. Development and provision of health and community services
3. Provision of general support services
4. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations
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 2019-2020.

### **3. 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
2. Development and provision of health and community services
3. Provision of general support services
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects
5. Encouragement of employment opportunities
6. Promotion of economic development
7. Requirement to ensure that street scaping 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 2019-2020.



## **4. 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
2. Development and provision of health and community services
3. Provision of general support services
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects
5. Encouragement of employment opportunities
6. Promotion of economic development
7. Requirement to ensure that street scaping 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 2019-2020.

## 5. 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
2. Construction and maintenance of public infrastructure
3. Development and provision of health and community services
4. Provision of general support services
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.

## 6. 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
2. Development and provision of health and community services
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 2019-2020.

## 7. 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 2019-2020.

## **8. 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
2. Development and provision of health and community services
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:**

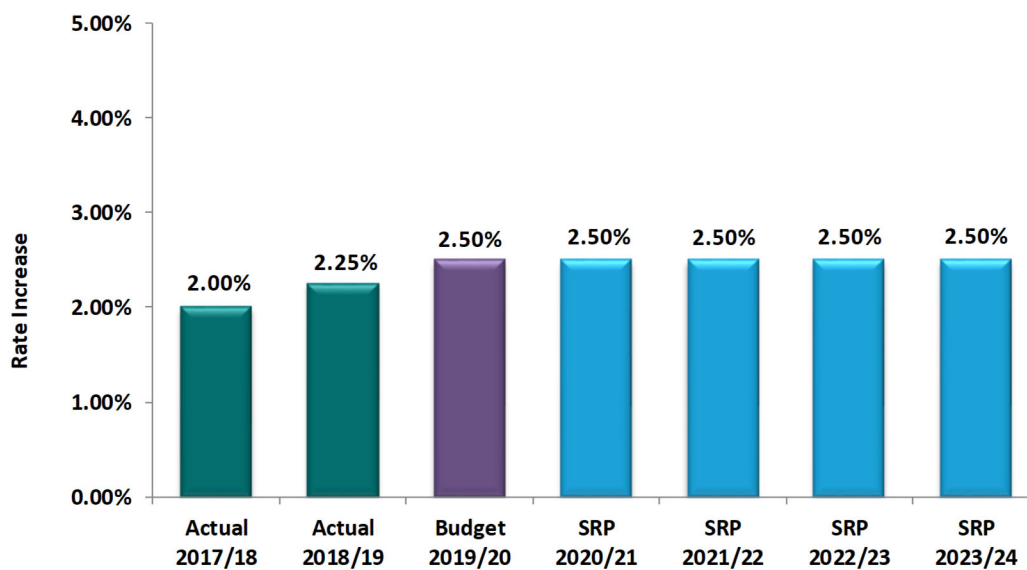
All buildings which are now constructed on the land or which are constructed prior to the expiry of 2019-2020.

## Budget Analysis

### 8. Summary of financial position

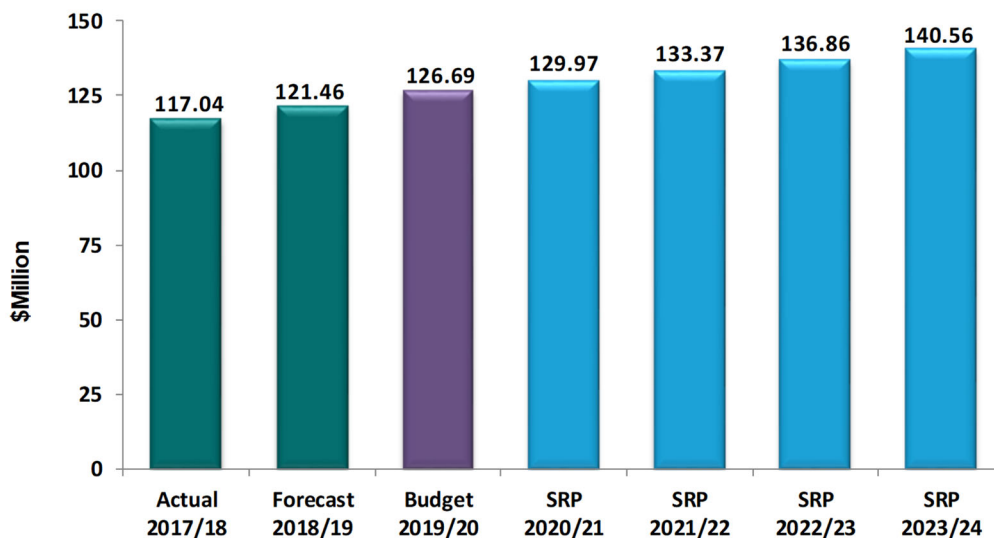
Council has prepared an Annual Budget for 2019-2020 which seeks to balance the demand for services and infrastructure with the community’s capacity to pay. Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

#### 8.1 Rate percentage increase



SRP - Strategic Resource Plan estimates

#### Total rates and charges



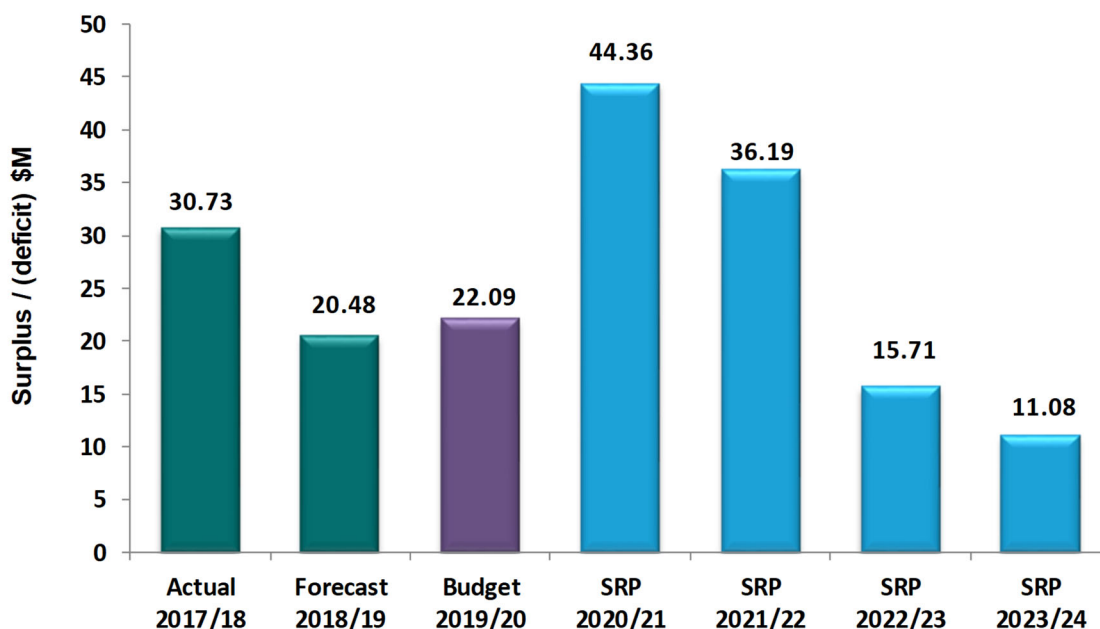
SRP - Strategic Resource Plan estimates

In 2019-2020 rates will increase by 2.50 per cent raising total rates and charges of \$126.69 million, including \$0.769 million generated from supplementary rates on new and redeveloped properties. The Victorian 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 21 December 2018 that the rate cap for the 2019-2020 financial year will be 2.50 per cent. That is, the CPI as published by the Victorian Department of Treasury and Finance, which is 2.50 per cent for 2019-2020.

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 2019-2020.

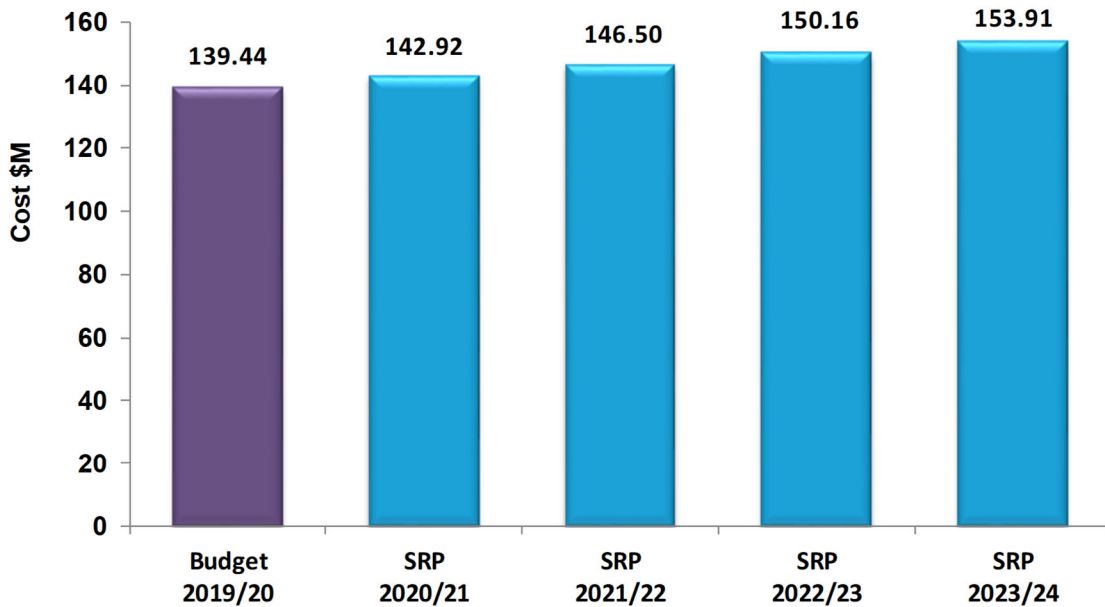
## 8.2 Operating Result



SRP - Strategic Resource Plan estimates

The expected operating result for 2019-2020 is a surplus of \$22.09 million, which is an increase of \$1.61 million over 2018-2019 forecast results. The increase in operating result is due mainly to the increase in rates and charges (\$5.239 million) and capital grants (\$2.381 million). This is offset by a decrease in capital contributions for projects (\$2.515 million), increase in street sweeping costs (\$0.50 million), depreciation (\$0.29 million) and WorkCover (\$0.30 million). The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a surplus of \$11.18 million, which is an increase of \$1.747 million over 2018-2019 forecast results – refer to Section 7 of this summary for further information. (The forecast operating result for 2018-2019 is a surplus of \$20.476 million).

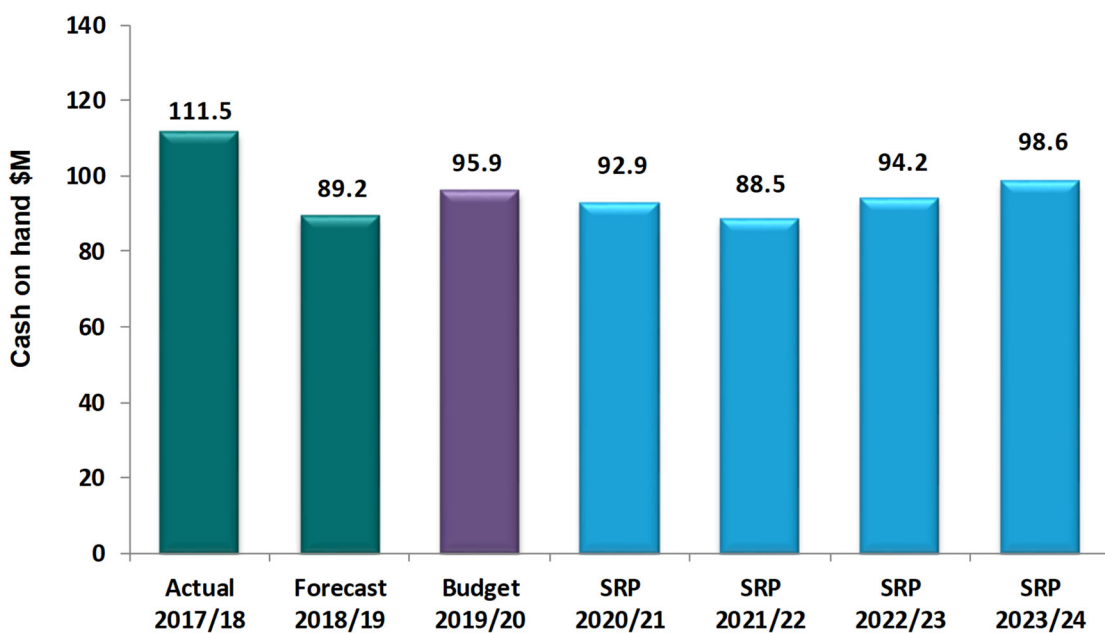
### 8.3 Services



SRP - Strategic Resource Plan estimates

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

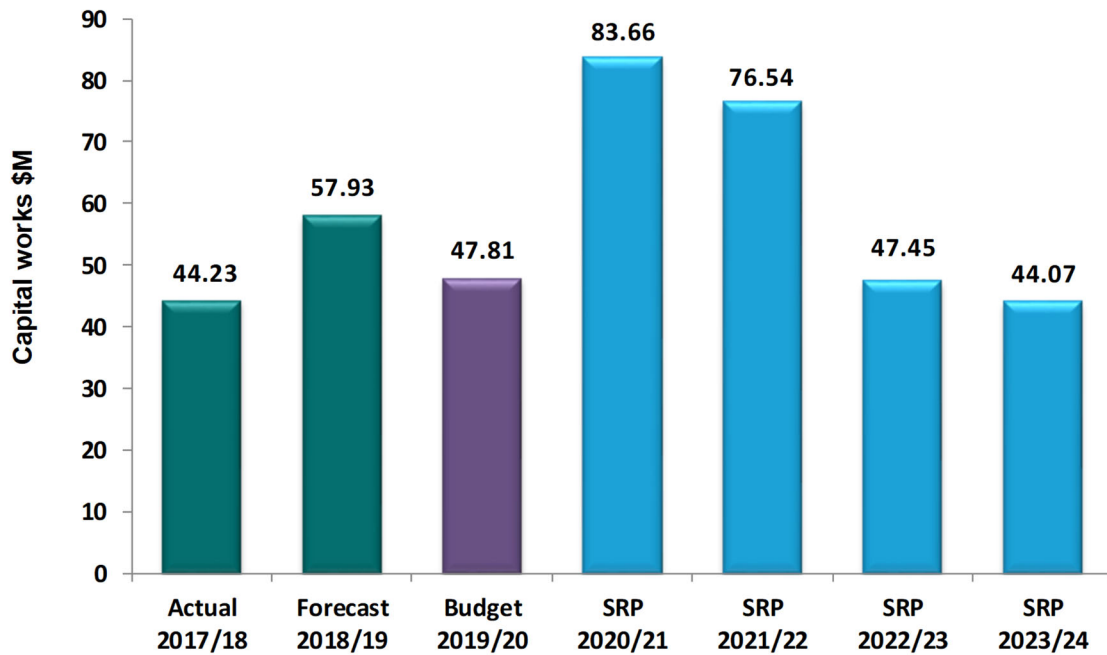


SRP - Strategic Resource Plan estimates



Cash and investments (including investments for Long Service Leave provision) are expected to increase to \$96.0 million as at 30 June 2020. Refer also Section 3 for the Statement of Cash Flows and Section 11 for an analysis of the cash position.

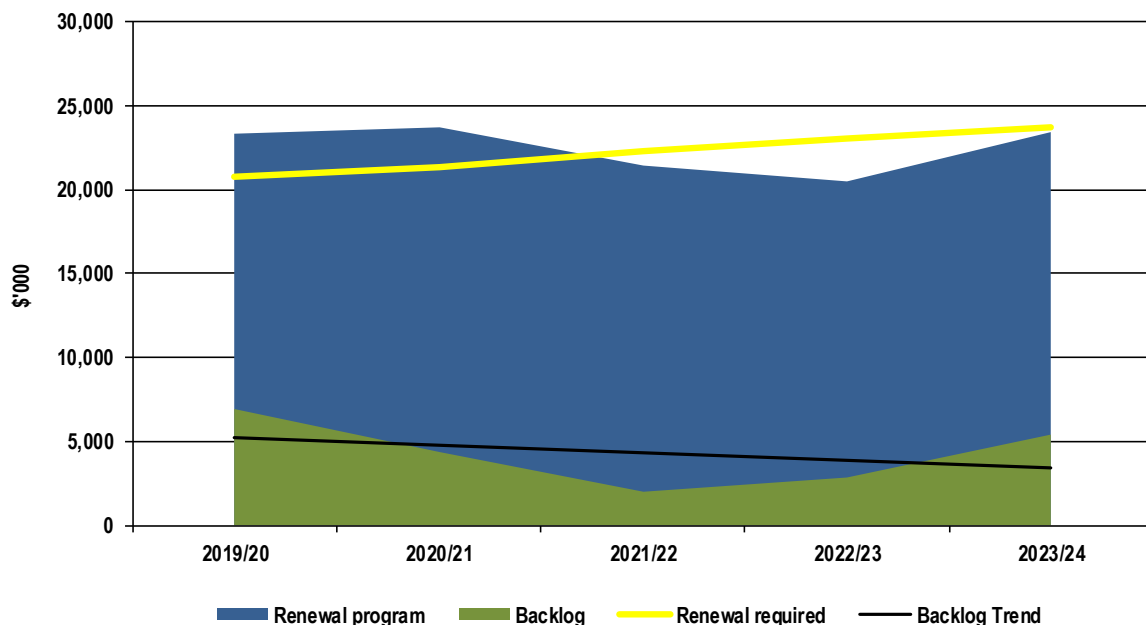
## 8.5 Capital Works



SRP - Strategic Resource Plan estimates

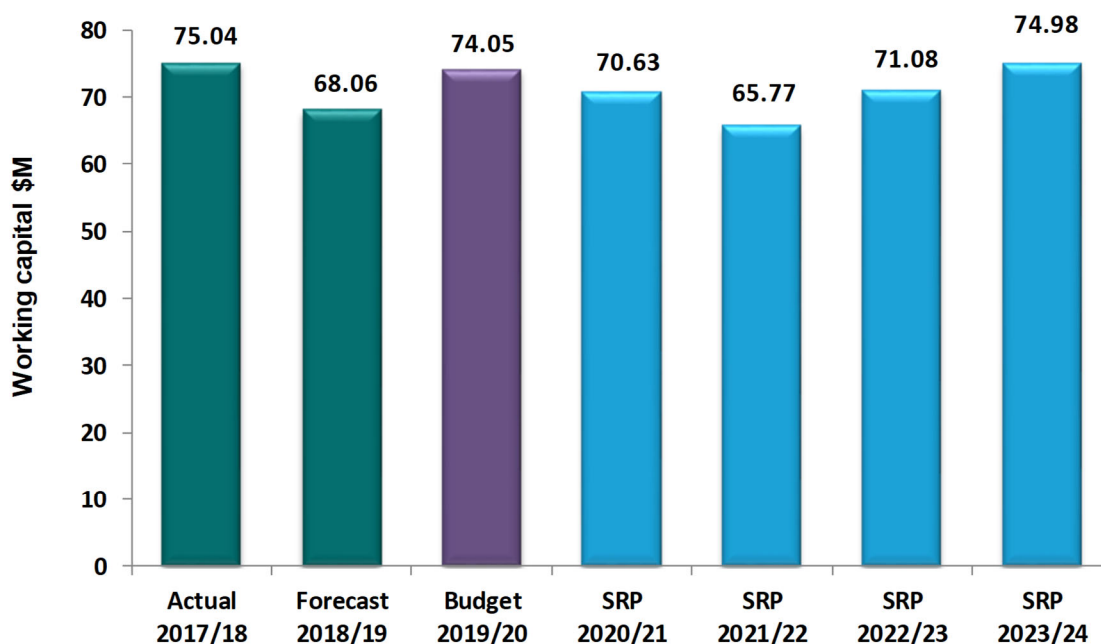
The capital works program for 2019-2020 is expected to be \$47.81 million. Of the \$47.81 million of capital funding required, \$9.193 million will come from external grants and contributions with the balance of \$38.617 million from Council cash. The Council cash amount comprises asset sales (\$1.29 million), cash held at the start of the year (\$1.383 million) and cash generated through operations in the 2019-2020 financial year (\$35.944 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 \$57.932 million including \$4.249 million carry forwards for 2018-2019).

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



Council remains committed to meeting its infrastructure needs. The asset renewal backlog is expected to decrease over the next five (5) year period. This investment is in accordance with its funding strategy to alleviate the total renewal backlog over a 10 year period outlined in Council’s Long Term Financial Plan (LTFP) and upcoming Long Term Infrastructure Plan (LTIP). Refer also Section 4 for the Statement of Capital Works and Section 12 for an analysis of the capital budget.

### 8.6 Financial Position

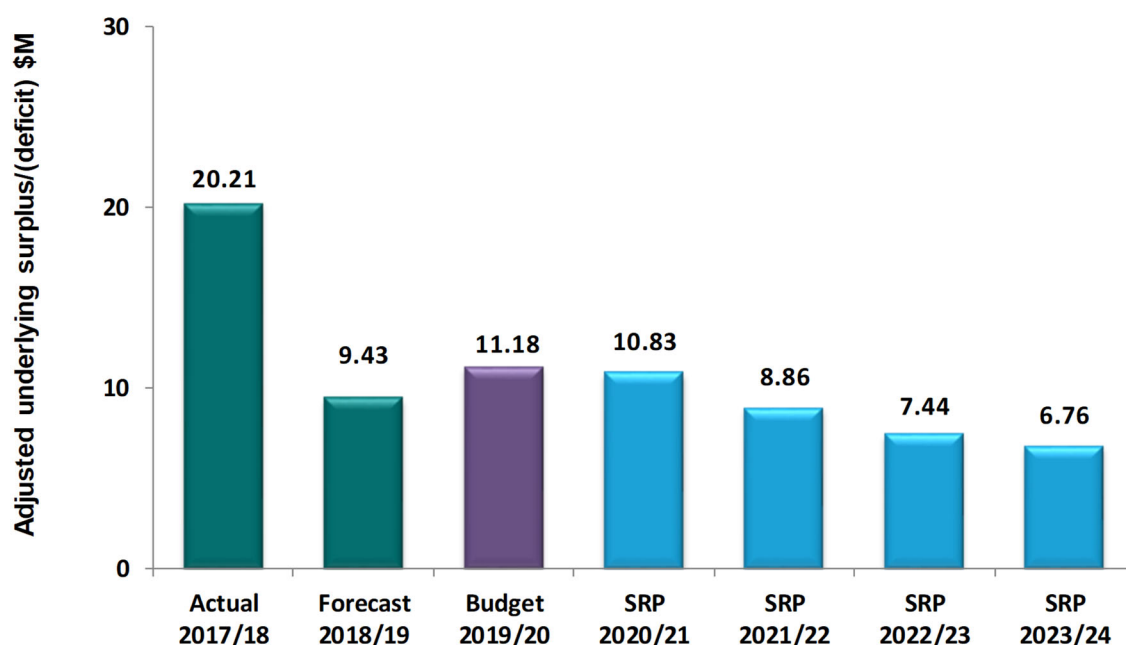


SRP - Strategic Resource Plan estimates

Council’s overall financial position is expected to improve with net assets (net worth) to increase by \$22.09 million to \$1.777 billion although net current assets (working capital) will increase by \$6.08 million to \$74.136 million as at 30 June 2020. (Net assets is forecast to be \$1.756 billion as at 30 June 2019).

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

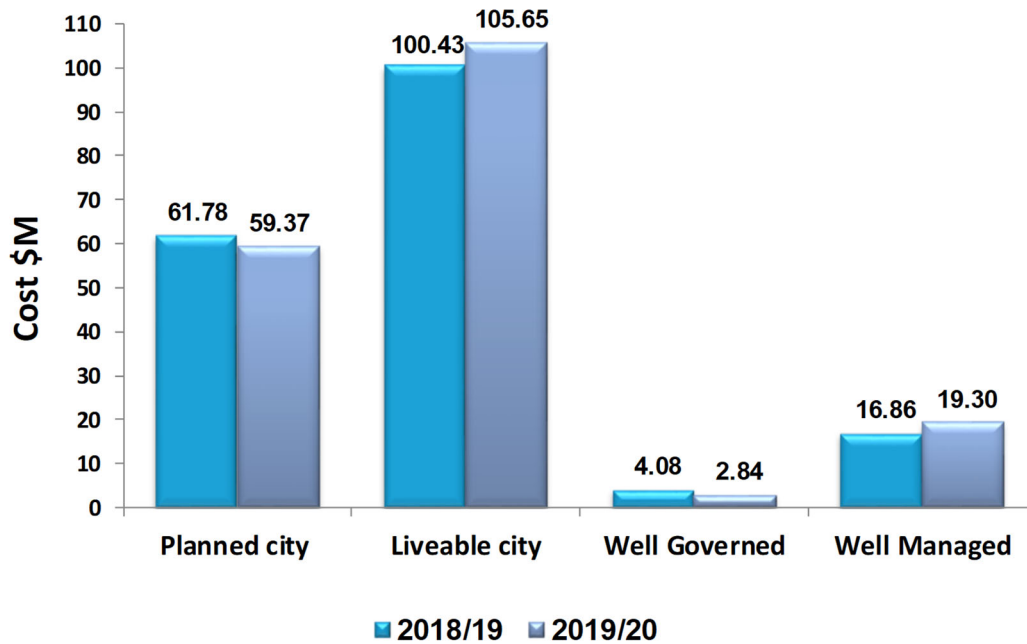
The underlying result, which excludes items such as capital grants and contributions, is a surplus of \$11.18 million. (The forecast underlying result for 2018-2019 is a surplus of \$9.43 million). The Underlying Operating Result is one of Council’s key indicators of financial performance as it measures 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 2019-2020 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 financial position in the long term.

A high level Strategic Resource Plan for the years 2019-2020 to 2023-2024 has been developed to assist Council in adopting a budget within a longer term prudent financial framework.

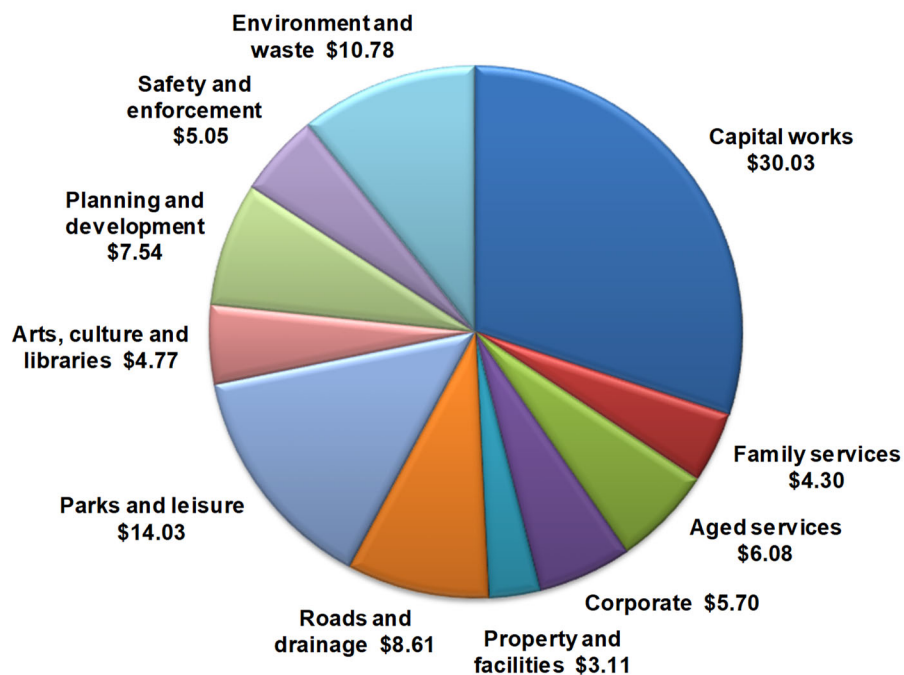
Refer to Section 14 for more information on the Strategic Resource Plan.

## 8.8 Strategic objectives



The Annual Budget 2019-2020 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 2019-2020.

## 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, 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, 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 141,704 (ABS Census 2016) and is predicted to grow to approximately 157,073 by 2036. 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, 21.4 per cent of the population were born overseas and 11 per cent came from countries where English was not their first language, compared with 33.8 per cent and 27.0 per cent respectively for Greater Melbourne.

While Frankston City has been a predominantly Anglo-Australian community, the city has a strong and growing Aboriginal and Torres Strait Islander community, making up 1 per cent of the population (1,338 people). The cultural diversity of the city is developing. From 2011 to 2016 there has been small increases in the number of Frankston residents born in India (1,295 to 1,712 people), the Philippines (from 855 to 1,071 people), China (607 to 891 people), and Sri Lanka (from 577 to 593 people).

Our labour force comprises 67,774 individuals, of these 57.8 per cent were employed full time, 30.8 per cent were employed part-time and 6.4 per cent were unemployed. There are 63,409 employed individuals in labour force. Frankston City residents contribute to the wellbeing of their community

through a significant amount of unpaid work, including volunteering and unpaid childcare. There are 16,805 people in Frankston City who volunteer their time (19.2 per cent of the adult population), an increase of 2,759 people from 2011-2016.

Overall, 48.3 per cent of the population held educational qualifications compared to 42.1 per cent in 2011. There have been increases in all post-secondary qualification types - including people with a Bachelor or higher degree at 14.5 per cent in 2016 compared to 10.9 per cent in 2011, and with a vocational qualification at 30.6 per cent in 2016 from 21.7 per cent in 2011. The percentage of people who have no qualifications has declined from 46.7 per cent in 2011 to 41.2 per cent in 2016.

Creating employment and improving access to education are key priorities for Council, with unemployment remaining above the state and national averages despite recent improvements.

In 2016, Frankston City contained 56,870 dwellings, 77.5 per cent of which were separate houses. Owning a home is important to people living in Frankston City, with 38.5 per cent in the process of buying their own home, while 25.1 per cent own their own homes. Rental tenure has increased from 26.6 per cent in 2011 to 28.7 per cent in 2016.

## 9.2 External influences

In preparing the Annual Budget 2019-2020, a number of external influences have been taken into consideration. These include:

- **Council's general waste charges have increased by 7.5 per cent** due to the increased service cost resulting from the pressures impacting the recycling industry. The industry continues to be challenged by the contamination standards required by the international markets using recycled products. Recycling processors have progressed with installing infrastructure with funding from the increased recycling charges to lower the contamination and improve the quality of recycled products for reuse.
- **Council's green waste charges have increased by 5.0 per cent** due to the increased service cost resulting from the pressures impacting the recycling industry.
- Consumer Price Index (CPI) – Melbourne increases on goods and services of 2.0 per cent through the December quarter 2018 (ABS release 30 January 2019). State-wide CPI is forecast to be 2.50 per cent for the 2019-2020 and subsequent two years (Victorian Budget Papers 2018-2019).
- Australian Average Weekly Earnings (AWE) growth for Public Sector full-time adult ordinary time earnings in the 12 months to November 2018 was 2.6 per cent (ABS release January 2019). The wages price index in Victoria is projected to be 2.75 per cent per annum in 2019-2020 increasing to 3 per cent and 3.25 per cent in the subsequent two years (Victorian Budget Papers 2018-2019).
- Cost Shifting occurs where Local Government provides a service to the community on behalf of the Victorian and Australian 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, Home and Community Care for aged residents. In all these services the level of payment received by Council from the Victorian 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 Victorian Government with the introduction of the Fire Services Property Levy Act 2012.
- Council received notification that a review of the Vested Benefit Index (VBI) was within the superannuation prudential standards. 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 2019-2020 Annual Budget. These matters have arisen from events occurring in 2018-2019 resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in 2019-2020. These matters and their financial impact are set out below:

- The purchase of the Frankston Regional Resource and Recycling Centre (FRRRC) 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 2019-2020 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 5.0 per cent increase to green waste charges and 7.5 per cent increase to general waste charges. The continuing challenges of the recycling crisis has led to the 7.5 per cent increase in general waste charges
- Peninsula Aquatic Recreation Centre (PARC) is fully operating as a separate entity and the operations of this facility are included in the Annual Budget 2019-2020. Similarly, at the end of the financial year, Council will consolidate the financial results with the annual financial statements of Frankston City Council
- The salary and wages for the Annual Budget 2019-2020 has been developed based on a 2.50 per cent plus 0.50 per cent banding increments based on CPI increases over the next three years. Enterprise Agreement 8 expires in March 2019. The cost of provision of Council services is very heavily based on labour costs which account for approximately 45 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 2018-2019 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 2018-2019 to be preserved
- Operating revenues and expenses arising from completed 2018-2019 capital projects to be included

In terms of the direct parameters upon which the Annual Budget 2019-2020 is based, the table below tabulates the assumptions:

<b>Key Assumptions</b>	<b>2019-2020</b>
Consumer Price Index	2.50%
Wage Price Index	3.50%
Cost Escalation - Local Government	3.10%
Rate Increase	2.50%
Green Waste Charges	5.00%
General Waste Charges	7.50%
Fees - Set by Council	Various
Fees and Charges (Statutory)	1.00%
Other Recurrent Grants	1.00%
Grants Commission Grants	1.00%
Employee Costs	3.00%
Contracts & Materials	2.50%
Gas	7.00%
Water	2.50%
Electricity	2.50%
Insurance	3.80%



## 10. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for 2019-2020.

### 10.1 Budgeted income statement

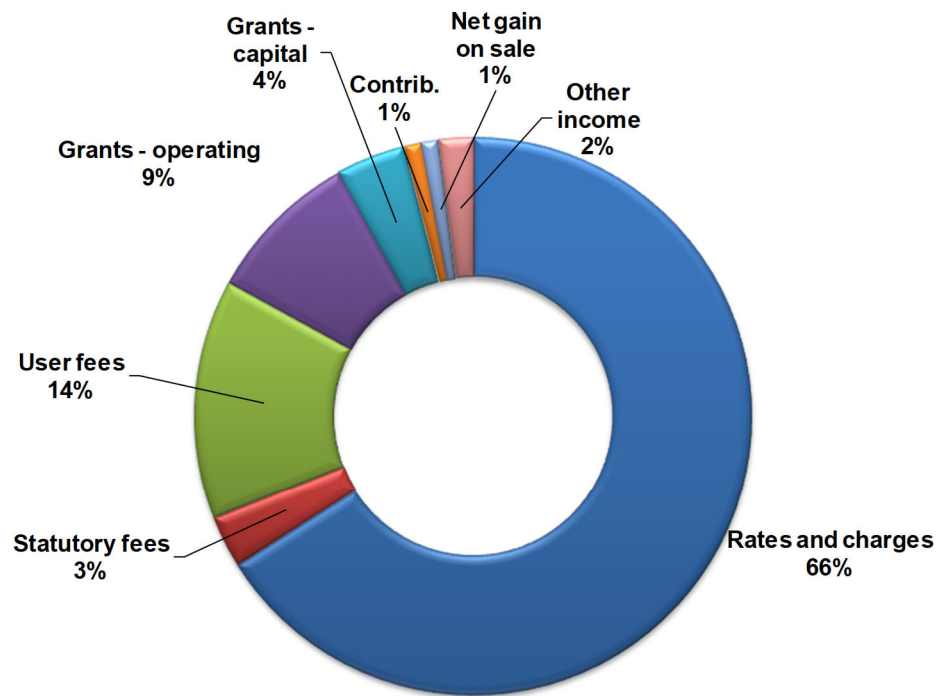
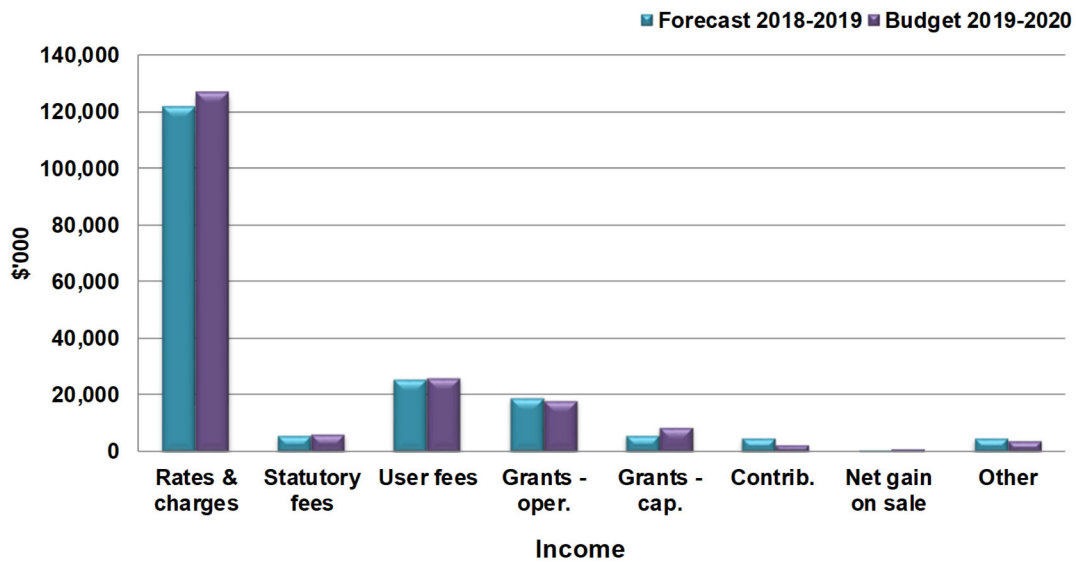
	Ref	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
Total income	10.2	188,605	193,456	4,851
Total expenses	10.3	(168,129)	(171,367)	(3,238)
<b>Surplus/(deficit) for the year</b>		<b>20,476</b>	<b>22,089</b>	<b>1,613</b>
Grants - capital (non-recurrent)	5.1.2	(6,082)	(8,463)	(2,381)
Contributions - non-monetary		(800)	(800)	-
Capital contributions - other sources	10.2.6	(4,160)	(1,645)	2,515
<b>Adjusted underlying surplus/(deficit)</b>	<b>10.1.1</b>	<b>9,434</b>	<b>11,181</b>	<b>1,747</b>

#### 10.1.1 Adjusted underlying surplus (\$1.747 million decrease)

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 2019-2020 is a surplus of \$11.181 million which is an increase of \$1.747 million over the forecast 2018-2019 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	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
Rates and charges	10.2.1	121,455	126,694	5,239
Statutory fees and fines	10.2.2	5,805	6,141	336
User fees	10.2.3	25,591	26,198	607
Grants - operating	5.1.1	19,128	18,297	(831)
Grants - capital	5.1.2	6,082	8,463	2,381
Contributions - monetary	10.2.4	4,160	1,645	(2,515)
Contributions - non-monetary	10.2.5	800	800	-
Net gain on disposal of property, infrastructure, plant and equipment	10.2.6	715	990	275
Other income	10.2.7	4,869	4,228	(641)
<b>Total income</b>		<b>188,605</b>	<b>193,456</b>	<b>4,851</b>



### Budgeted income 2019-2020

#### 10.2.1 Rates and charges (\$5.239 million increase)

The 2019-2020 Annual Budget includes a capped increase in the average base rate of 2.50 per cent or \$5.239 million over 2018-2019 to \$126.694 million.

Supplementary rates, for new rateable assessments or properties completing improvement works during the financial year, are forecast to provide \$0.769 million in rate revenue over 2019-2020. Section 7, "Rating Information" provides a detailed analysis of the rates and charges to be levied for 2019-2020.

### 10.2.2 Statutory fees and fines (\$0.336 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.

	Forecast 2018-2019 \$'000	Budget 2019-2020 \$'000	Variance \$'000
Building and town planning fees	1,394	1,769	375
Infringements and costs	4,284	4,240	(44)
Land information certificates	127	132	5
<b>Total statutory fees and fines</b>	<b>5,805</b>	<b>6,141</b>	<b>336</b>

### 10.2.3 User fees (\$0.607 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 fees and charges is primarily due to the following:

- Community Safety have decreased fees in total across the department by \$0.535 million. This was caused by re-aligning the total units expected of each type of fee in line with a more realistic expectation than what was set in previous budgets. Fee totals which have decreased include Animal Registrations, Parking Infringements and Car Parking

The above reductions are offset by:

- Increased attendance, use of facilities and service at the Frankston Regional Recycling and Recovery Centre of \$0.176 million, Frankston Arts Centre \$0.134 million and Family Health and Support Services \$0.080 million
- Planning and Environment have exceeded their income budget in recent years and therefore the budget has been increased by \$0.623 million to reflect the new expectation. The increase in income is due to the State Government raising the statutory set fee of planning permits, as well as the number of planning permits that council has received also increasing

	Forecast 2018-2019 \$'000	Budget 2019-2020 \$'000	Variance \$'000
Recreation and leisure	12,349	13,471	1,122
Waste management	3,851	3,798	(53)
Arts and culture	3,478	3,329	(149)
Parking fees	1,728	1,893	165
Aged and health services	1,038	1,048	10
Other fees and charges	945	749	(196)
Registrations and other permits	712	604	(108)
Legal cost recovery - rates	450	450	-
Childcare/children's programs	436	446	10
Building services	604	410	(194)
<b>Total fees and charges</b>	<b>25,591</b>	<b>26,198</b>	<b>607</b>

#### 10.2.4 Contributions – monetary (\$2.515 million decrease)

Contributions for capital works in the Annual Budget 2019-2020 has decreased by \$2.515 million from the 2018-2019 forecast primarily due to the reduction of financial contributions from external sources toward capital works projects. 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 Annual Budget 2019-2020 are projected to remain constant with the 2018-2019 forecast due to the completion of property developments within the municipality during the 2019-2020 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 (\$0.275 million increase)

Net gain on sale of Council assets is forecast to be \$0.99 million for 2019-2020 and relates to the planned cyclical replacement of part of the plant and vehicle fleet.

#### 10.2.7 Other income (\$0.641 million decrease)

Other income in Annual Budget 2019-2020 is projected to be \$4.228 million.

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

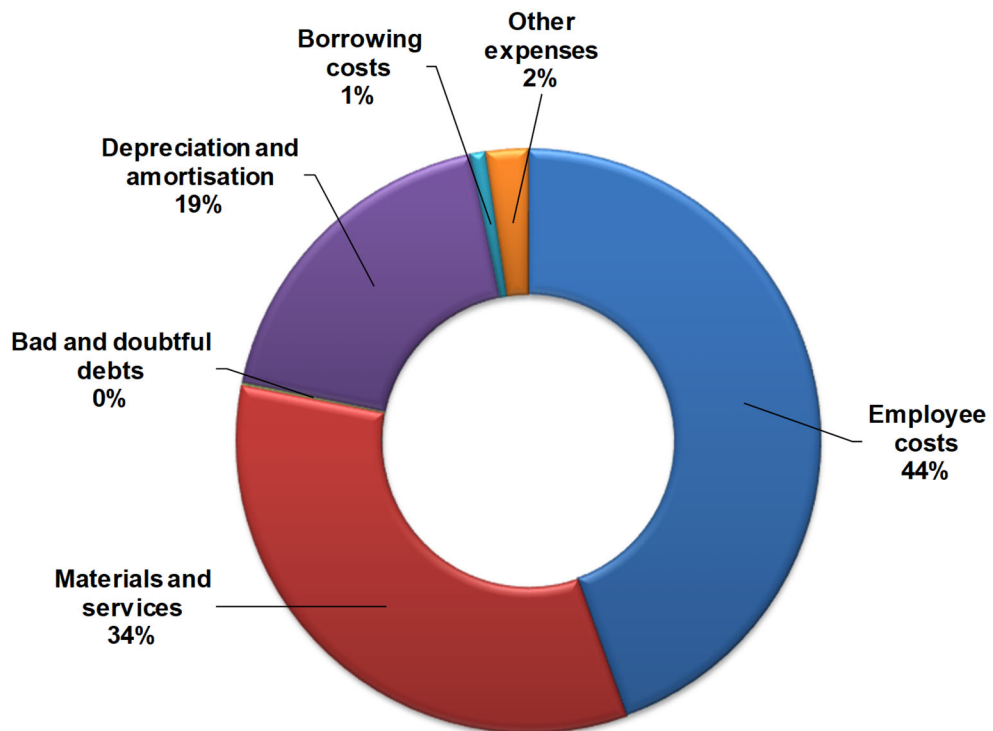
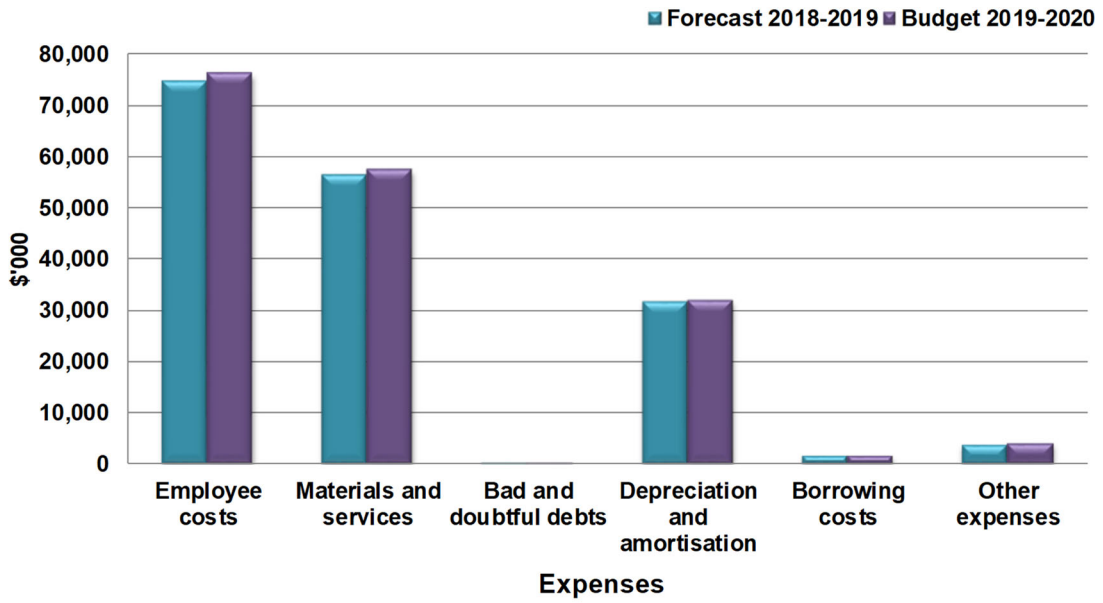
Interest on investments is forecast to increase compared to 2018-2019 due to an increase in Council's available cash reserves during 2019-2020. Interest on unpaid rates is forecast to increase compared to 2019-2020 due to an expected increase in the level of unpaid rates during 2019-2020.

### 10.3 Operating Expenditure

Expense Types	Ref	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
Employee costs	10.3.1	74,716	76,331	1,615
Materials and services	10.3.2	56,262	57,451	1,189
Bad and doubtful debts	10.3.3	254	220	(34)
Depreciation and amortisation	10.3.4	31,581	31,872	291
Borrowing costs	10.3.5	1,573	1,481	(92)
Other expenses	10.3.6	3,743	4,012	269
<b>Total expenses</b>		<b>168,129</b>	<b>171,367</b>	<b>3,238</b>

When comparing operating expenditure from the Annual Budget 2018-2019 to the Annual Budget 2019-2020 (refer to table below), an overall increase of 1.93 per cent has been achieved.

Operating Expenditure Movement	Budget 2018-2019 \$'000	Budget 2019-2020 \$'000	Variance %
Expenses	168,129	171,367	1.93%



Budgeted expenses 2019-2020

### 10.3.1 Employee costs (\$1.615 million increase)

Employee costs include all labour related expenditure inclusive of on costs such as WorkCover insurance, superannuation, leave loading and long service leave entitlements. At the time of preparing the Annual Budget 2019-2020 Council's Enterprise Agreement 8 had expired. Negotiations are currently underway for Enterprise Agreement 9. With this in mind, an increase of 2.50 per cent has been allowed to cover EBA increases, superannuation guarantee increases plus 0.50 per cent to allow for periodic increases that occur as staff progress through the employee banding structure provided for in Awards.

Employee costs are forecast to increase in the Annual Budget 2019-2020 by \$1.615 million or 2.16 per cent compared to the forecast 2018-2019 result. 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. Council's WorkCover premium has also increase from \$1.5 million to \$1.8 million.

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

Department	Comprises		
	Budget 2019/20	Permanent Full time	Permanent Part time
	\$'000	\$'000	\$'000
Chief Executive Officer	714	714	-
Human Resources	1,573	1,516	57
Corporate Management	658	658	-
Recycling Services	725	725	-
Business and Information Technology	3,076	2,811	265
Financial and Corporate Planning	2,494	2,311	183
Administration and Corporate Projects	1,440	1,258	182
Commercial Services	1,144	1,060	84
Assets Management	434	434	-
Communities Management	443	443	-
Community Strengthening	4,359	3,264	1,095
Family Health Support Services	13,899	3,179	10,720
Arts and Culture	5,634	3,234	2,400
Community Safety	6,349	4,660	1,689
Community Relations	3,740	1,873	1,867
Operations	11,620	11,571	49
Planning and Environment	3,076	2,723	353
Engineering Services	1,539	1,430	109
Facilities	1,433	1,433	-
Capital Works Delivery	2,055	2,055	-
Sustainable Assets	2,107	2,107	-
CAA Development	74	74	-
Peninsula Leisure Pty Ltd	3,095	2,421	674
Total permanent staff expenditure	71,681	51,954	19,727
Casual and other expenditure	6,252		
Capitalised labour costs	(1,602)		
<b>Total expenditure</b>	<b>76,331</b>		

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

Department	Budget 2019/20 FTE	Comprises	
		Permanent Full time FTE	Permanent Part time FTE
Chief Executive Officer	4.00	4.00	-
Human Resources	14.60	14.00	0.60
Corporate Management	3.00	3.00	-
Recycling Services	7.00	7.00	-
Business and Information Technology	28.46	25.00	3.46
Financial and Corporate Planning	23.70	22.00	1.70
Administration and Corporate Projects	14.12	12.00	2.12
Commercial Services	9.80	9.00	0.80
Assets Management	2.00	2.00	-
Communities Management	2.00	2.00	-
Community Strengthening	42.31	31.00	11.31
Family Health Support Services	144.67	31.00	113.67
Arts and Culture	58.45	30.00	28.45
Community Safety	68.41	45.00	23.41
Community Relations	38.83	17.00	21.83
Operations	139.67	139.00	0.67
Planning and Environment	28.71	25.00	3.71
Engineering Services	13.20	12.00	1.20
Facilities	11.00	11.00	-
Capital Works Delivery	17.00	17.00	-
Sustainable Assets	19.00	19.00	-
CAA Development	1.00	1.00	-
Peninsula Leisure Pty Ltd	37.00	25.00	12.00
<b>Total permanent staff</b>	<b>727.93</b>	<b>503.00</b>	<b>224.93</b>
Casual and other	95.25		
<b>Total staff</b>	<b>823.18</b>		

### 10.3.2 Materials and services (\$1.189 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 \$1.189 million in the Annual Budget 2019-2020 compared to the 2018-2019 forecast, primarily due to the recycling crisis resulting in an increase in waste disposal expenditure. This increase in materials and services is offset by increased general waste income of 7.5 per cent. There is also a significant increase in utility costs (\$0.22 million).

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

### 10.3.3 Bad and doubtful debt (\$0.034 million decrease)

Bad and doubtful debts are not projected to move significantly in 2019-2020.

#### 10.3.4 Depreciation and amortisation (\$0.291 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 \$0.291 million for 2019-2020 is due mainly to the completion of the 2018-2019 capital works program and the full year effect of depreciation on the 2018-2019 capital works program. Refer to 'section 12. Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2019-2020 year.

#### 10.3.5 Borrowing costs (\$0.092 million decrease)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. Interest expense is budgeted to be \$1.48 million reflecting the agreed borrowing arrangements in 2019-2020 to fund capital works projects. Council are not proposing any further borrowings during 2019-2020.

#### 10.3.6 Other expenses

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.

	Forecast 2018-2019 \$'000	Budget 2019-2020 \$'000	Variance \$'000
Grants and contributions	939	905	34
Conferences, seminars, training	653	868	(215)
Operating leases	776	832	(56)
Councillor expenses	386	395	(9)
Court lodgement fees	360	369	(9)
Directors fees	335	343	(8)
Internal auditor	145	155	(10)
External auditor remuneration	149	145	4
<b>Total other expenses</b>	<b>3,743</b>	<b>4,012</b>	<b>(269)</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 2019-2020 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	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	11.1.1			
<i>Receipts</i>				
Rates and charges		121,455	126,694	5,239
Statutory fees and fines		5,805	6,141	336
User fees		25,591	26,198	607
Grants - operating		19,128	18,297	(831)
Grants - capital		6,082	8,463	2,381
Contributions - monetary		4,160	1,645	(2,515)
Other receipts		18,282	2,259	(16,023)
<i>Payments</i>				
Employee costs		(74,716)	(76,331)	(1,615)
Materials and services		(56,516)	(57,671)	(1,155)
Other payments		(3,743)	(4,012)	(269)
<b>Net cash provided by operating activities</b>		<b>65,528</b>	<b>51,683</b>	<b>(13,845)</b>
<b>Cash flows from investing activities</b>	11.1.2			
Payments for property, infrastructure, plant and equipment		(56,432)	(46,310)	10,122
Proceeds from sale of property, infrastructure, plant and equipment		1,215	1,290	75
<b>Net cash used in investing activities</b>		<b>(55,217)</b>	<b>(45,020)</b>	<b>10,197</b>
<b>Cash flows from financing activities</b>	11.1.3			
Finance costs		(1,573)	(1,481)	92
Repayment of borrowings		(7,023)	(320)	6,703
<b>Net cash used in financing activities</b>		<b>(8,596)</b>	<b>(1,801)</b>	<b>6,795</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,715</b>	<b>4,862</b>	<b>3,147</b>
Cash and cash equivalents at the beginning of the financial year		53,715	55,430	1,715
<b>Cash and cash equivalents at end of the year</b>	11.1.4	<b>55,430</b>	<b>60,292</b>	<b>4,862</b>

### 11.1.1 Operating activities (\$13.845 million decrease)

The \$13.845 million decrease in cash inflows from operating activities is due mainly to in payments for fire services levy and payment of trade and other payables.

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.

	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
<b>Surplus (deficit) for the year</b>	<b>20,476</b>	<b>22,089</b>	<b>1,613</b>
Depreciation and amortisation	31,581	31,872	291
Net gain on disposal of property, infrastructure, plant and equipment	(715)	(990)	(275)
Borrowing costs	1,573	1,481	(92)
Contributions - non monetary	(800)	(800)	-
Net movement in current assets and liabilities	13,413	(1,969)	(15,382)
<b>Cash flows available from operating activities</b>	<b>65,528</b>	<b>51,683</b>	<b>(13,845)</b>

### 11.1.2 Investing activities (\$10.197 million decrease)

The decrease in net cash outflows from investing activities of \$10.197 million is primarily due to the decrease in capital works expenditure.

### 11.1.3 Financing activities (\$6.795 million decrease)

The decrease in net cash outflows from financing activities of \$6.795 million is primarily due to Council decision to redeem a loan in 2018-2019.

## 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 2020 it will have cash and investments of \$96.026 million, which has been restricted as shown in the following table.

Ref	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000	
<b>Total cash and investments</b>	<b>89,228</b>	<b>95,936</b>	<b>6,708</b>	
Restricted cash and investments				
- Statutory reserves	11.2.1	(5,446)	(5,621)	(175)
- Cash held to fund carry forward capital		(4,249)	-	4,249
- Trust funds and deposits	11.2.2	(5,933)	(6,117)	(184)
<b>Unrestricted cash and investments</b>	<b>73,600</b>	<b>84,198</b>	<b>10,598</b>	
- Discretionary reserves	11.2.3	(68,221)	(74,877)	(6,656)
<b>Unrestricted cash adjusted for discretionary reserves</b>	<b>5,379</b>	<b>9,321</b>	<b>3,942</b>	

### 11.2.1 Statutory reserves (\$5.621 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 (\$6.117 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 (\$74.877 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 (\$9.321 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 2019-2020

The table below highlights Council's Reserve funds and the projected balance at 30 June 2020.

Reserve Balances	Forecast July 2019 Opening Balance	Budget Transfers To Reserve	Budget Transfers From Reserve	Budget June 2020 Closing Balance
Public resort and recreation	4,522	915	(740)	4,697
Native revegetation	707	-	-	707
Subdivision roadworks	133	-	-	133
Infrastructure assets	74	-	-	74
Carparking	10	-	-	10
Unexpended grant	12,324	4,289	(4,332)	12,281
Capital projects reserve	3,214	-	-	3,214
Strategic asset	32,232	2,948	(100)	35,080
PARC asset management sinking fund	9,000	3,000	(500)	11,500
Resource efficiency	57	-	-	57
Loan sinking fund	9,737	830	-	10,567
PARC asset management reserve	1,025	400	-	1,425
PARC strategic reserve	632	121	-	753
<b>Totals</b>	<b>73,667</b>	<b>12,503</b>	<b>(5,672)</b>	<b>80,498</b>

#### 11.4. Impact of current year (2018-2019) on the Annual Budget 2019-2020

This section of the report highlights the impact that outcomes in 2018-2019 have had on the Annual Budget 2019-2020. 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 2019-2020 with an accumulated cash surplus outcome of \$0.50 million.

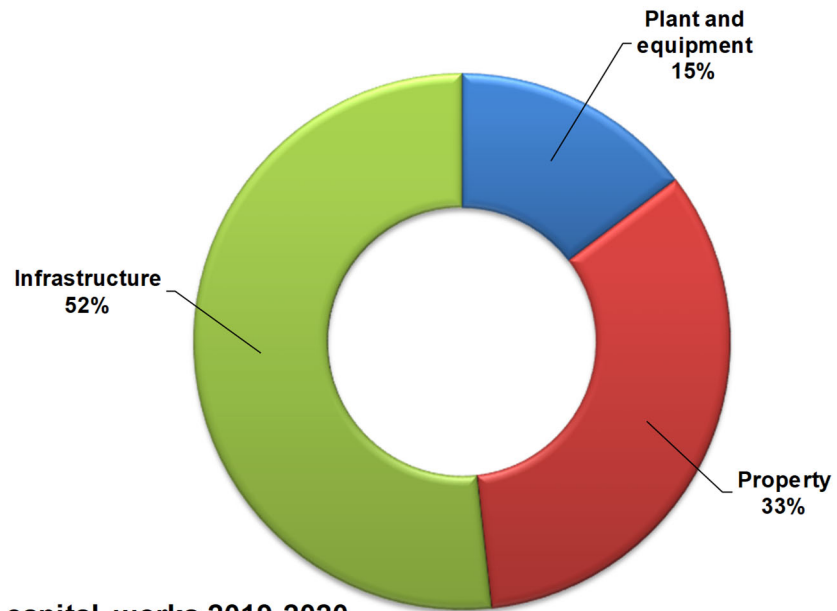
	Forecast 2018-2019 \$'000	Budget 2019-2020 \$'000	Variance \$'000
<b>Surplus/(deficit) for the year</b>	<b>20,476</b>	<b>22,089</b>	<b>1,613</b>
<b><i>Add back non-cash items:</i></b>			
Depreciation and amortisation	31,581	31,872	291
Contributions - non-monetary	(800)	(800)	-
Write down value of assets disposed	500	300	(200)
	<b>31,281</b>	<b>31,372</b>	<b>91</b>
<b><i>Less non-operating cash items:</i></b>			
Capital works expenditure	56,432	46,310	(10,122)
Transfers to/(from) reserves	(771)	6,831	7,602
Repayment of borrowings	7,023	320	(6,703)
	<b>62,684</b>	<b>53,461</b>	<b>(9,223)</b>
<b>Cash surplus/(deficit) for the year</b>	<b>(10,927)</b>	<b>-</b>	<b>10,927</b>
<b>Accumulated cash surplus/(deficit) b/fwd</b>	<b>11,427</b>	<b>500</b>	<b>(10,927)</b>
<b>Accumulated cash surplus/(deficit) c/fwd</b>	<b>500</b>	<b>500</b>	<b>-</b>

## 12. Analysis of capital budget

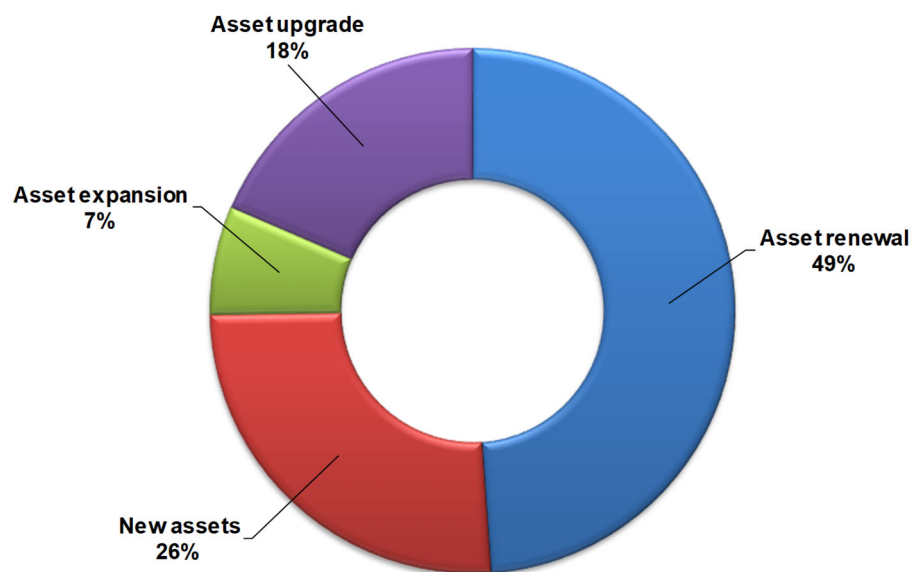
This section analyses the planned capital expenditure budget for the 2019-2020 year and the sources of funding for the capital budget.

### 12.1 Capital works

	Ref	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
<b>New Works and Carry Forwards</b>				
<b>Property</b>				
	12.1.1			
Land		-	-	-
Buildings		13,950	16,015	2,065
Building improvements		32	-	(32)
Total property		13,982	16,015	2,033
<b>Plant and equipment</b>				
	12.1.2			
Plant, machinery and equipment		2,270	2,969	699
Fixtures, fittings and furniture		481	145	(336)
Computers and telecommunications		3,340	3,190	(150)
Library books		700	700	-
Total plant and equipment		6,791	7,004	213
<b>Infrastructure</b>				
	12.1.3			
Roads		9,790	4,250	(5,540)
Bridges		836	450	(386)
Footpaths and cycleways		3,472	1,545	(1,927)
Drainage		893	1,260	367
Recreational, leisure and community facilities		13,808	6,731	(7,078)
Waste management		282	150	(132)
Parks, open space and streetscapes		5,188	6,201	1,013
Off street car parks		2,307	1,735	(573)
Other infrastructure		583	2,470	1,887
Total infrastructure		37,159	24,791	(12,368)
<b>Total new works and carry forwards</b>		<b>57,932</b>	<b>47,810</b>	<b>(10,122)</b>
<b>Total capital works expenditure</b>		<b>57,932</b>	<b>47,810</b>	<b>(10,122)</b>
<b>Represented by:</b>				
Asset renewal expenditure	12.1.4	26,069	23,330	(2,739)
New asset expenditure	12.1.4	20,676	12,440	(8,236)
Asset upgrade expenditure	12.1.4	9,858	8,847	(1,011)
Asset expansion expenditure	12.1.4	1,329	3,193	1,864
<b>Total capital works expenditure</b>		<b>57,932</b>	<b>47,810</b>	<b>(10,122)</b>



**Budgeted capital works 2019-2020**



**Budgeted Capital Works 2019-2020**

### 12.1.1 Property (\$16.015 million)

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

*Significant projects include:*

- Ballam Park - pavilion \$2,900,000 (*\$2,500,000 Council contribution*)
- Overport Park pavilion - \$2,320,000 (*\$2,120,000 Council contribution*)
- RF Miles Recreation Reserve pavilion - \$2,000,000 (*grant funding*)
- Monterey Reserve pavilion - \$1,300,000 (*grant funding*)
- Orwill Street Community House extension - \$700,000 (*\$700,000 Council contribution*)
- Jubilee Park netball centre - \$600,000 (*\$600,000 Council contribution*)
- Centenary Park sporting complex - \$500,000 (*\$500,000 Council contribution*)

### 12.1.2 Plant and equipment (\$7.004 million)

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

*Significant projects include:*

- Plant and equipment replacement - \$1,424,000 (*\$1,424,000 Council contribution*)
- Light vehicle replacement - \$1,200,000 (*\$210,000 Council contribution*)
- Library collection - \$700,000 (*\$700,000 Council contribution*)
- Computers and telecommunications - \$3,190,000 (*\$3,190,000 Council contribution*)

### 12.1.3 Infrastructure (\$24.791 million)

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

*Significant projects include:*

- Funds allocated for roads and bridges amount to \$4,700,000 (*\$4,105,000 Council Contribution*). These roads include:
  - Barretts Road (Robinsons Road to Golf Links Road) - special charge scheme
  - Liddesdale Avenue landslip remediation
- Budget allocation to pathways including footpaths and shared pathways amount to \$1,545,000 (*Council contribution*).
- The budget allocated for recreational, leisure and community facilities is \$6.731 million (*\$4.331 Council contribution*) and includes Frankston Park Oval and Delacombe Park lighting, sporting ground playing surface renewal and playground renewal.
- Local area traffic management including the Seaford, Sweetwater, Woodlands and Fairway Precincts has a budget allocation of \$2.150 million (*\$1.300 million Council Contribution*)
- Parks, open space and streetscapes have been allocated \$6.201 million (*\$5.753 Council contribution*) and includes replacing street lights with LED lighting, Clyde Street Mall and Station Street Mall upgrades, laneway activation, shade sails, gateway developments, public art and fencing.
- Overport Park new carpark and pathways budget allocated of \$1.015 million (*Council contribution*)

#### 12.1.4 Asset renewal (\$23.330 million), new assets (\$12.440 million), asset upgrade (\$8.847 million) and asset expansion (\$3.193 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:*

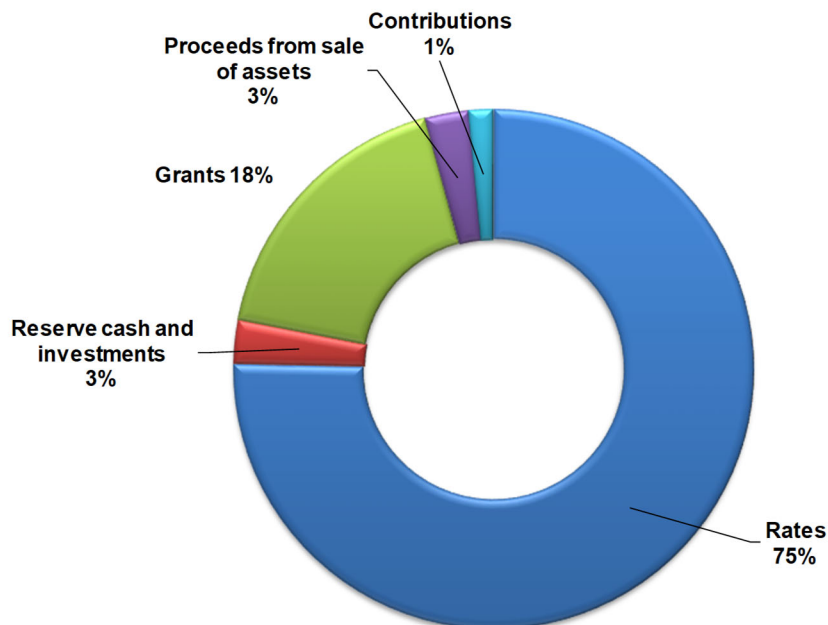
- Road renewal program - \$3.696 million
- Facilities renewal program - \$3.461 million
- Bridge renewal program - \$0.450 million
- Footpath renewal program - \$1.219 million
- Park and open space renewal - \$2.039 million
- Plant, fleet and equipment replacement - \$2.22 million
- Computer and telecommunications - \$1.691 million
- Off street car parking - \$0.811 million
- Library collection - \$0.70 million
- Drainage renewal - \$0.782 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 2019-2020 is \$39.97 million.

Sources of funding	Ref	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
<b>Works carried forward</b>				
<b>Current year funding</b>				
Grants		1,900	-	(1,900)
Contributions		-	-	-
Council cash		-	-	-
- operations		1,789	-	(1,789)
- proceeds from sale of assets		-	-	-
- reserve cash and investments		560	-	(560)
<b>Total works carried forward</b>	12.2.3	<b>4,249</b>	<b>-</b>	<b>(4,249)</b>
<b>New works</b>				
<b>Current year funding</b>				
Grants	12.2.1	4,182	8,463	4,281
Contributions	12.2.2	3,245	730	(2,515)
Council cash				
- operations	12.2.4	42,815	35,944	(6,871)
- proceeds from sale of assets	12.2.5	1,015	1,290	275
- reserve cash and investments	12.2.6	2,426	1,383	(1,043)
<b>Total new works</b>		<b>53,683</b>	<b>47,810</b>	<b>(5,873)</b>
<b>Total funding sources</b>		<b>57,932</b>	<b>47,810</b>	<b>(10,122)</b>





## Budgeted total funding sources 2019-2020

### 12.2.1. Grants - capital (\$8.463 million)

Capital grants include all monies received from Victorian, Australian and community sources for the purposes of funding the capital works program. Overall the level of capital grants has increased by \$3.97 million compared to 2018-2019.

Significant grants included in the 2019-2020 Annual Budget are:

• RF Miles Recreation Reserve – new pavilion	\$2,000,000
• Frankston Park Oval – sports lighting	\$1,500,000
• Monterey Reserve – soccer pavilion	\$1,300,000
• Belvedere Bowls Club – pavilion extension	\$600,000
• Roads to Recovery Program	\$595,000
• Delacombe Park Reserve – lighting upgrade	\$500,000
• Seaford Precinct local area traffic management	\$400,000
• Ballam Park – soccer pavilion	\$400,000
• Sweetwater Precinct local area traffic management	\$250,000
• Carrum Bowls Club - pavilion upgrade	\$200,000
• Fairway Precinct local area traffic management	\$200,000
• Sports lighting renewal program	\$200,000
• Skye Recreation Reserve – pavilion upgrade	\$100,000
• Overport Park pavilion	\$100,000
• Frankston Park – coaches box	\$50,000
• Renew street lighting to 17W LED lights	\$68,000

### 12.2.2 Contributions (\$0.730 million)

Contributions represent contributions by developers and other parties in relation to capital works. A significant contribution is included in the Annual Budget 2019-2020:



### 12.2.3 Carry forwards (\$4.249 million)

Currently, Council has identified \$4.25 million of carry forward projects. Significant projects include:



These carry forward projects are funded by grants \$1,900,000, reserves \$560,000 and council cash \$1,788,540

### 12.2.4 Council cash - operations (\$35.944 million)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$35.944 million will be generated from operations to fund the 2019-2020 capital works program. This amount is funded from cash generated from operating activities represented in the Cash Flow Statement (\$51.683 million) as set out in Section 4 of this budget.

### 12.2.4 Council cash - proceeds from sale of assets (\$1.290 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 (\$1.383 million)

The Annual Budget 2019-2020 utilises available reserve funds for the funding of various capital projects, including the following significant application:

## 13. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2018-2019 and 2019-2020. It also considers a number of key performance indicators.

### 13.1 Budgeted balance sheet

	Ref	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
<b>Current assets</b>	13.1.1			
Cash and cash equivalents		55,430	60,292	4,862
Trade and other receivables		15,080	15,547	467
Other financial assets		27,298	28,144	846
Inventories		213	220	7
Other assets		2,220	2,293	73
<b>Total current assets</b>		<b>100,241</b>	<b>106,496</b>	<b>6,255</b>
<b>Non-current assets</b>	13.1.1			
Trade and other receivables		1,283	1,158	(125)
Other financial assets		6,500	7,500	1,000
Intangible assets		1,303	2,883	1,580
Property, infrastructure, plant and equipment		1,708,156	1,721,514	13,358
<b>Total non-current assets</b>		<b>1,717,242</b>	<b>1,733,055</b>	<b>15,813</b>
<b>Total assets</b>		<b>1,817,483</b>	<b>1,839,551</b>	<b>22,068</b>
<b>Current liabilities</b>	13.1.2			
Trade and other payables		14,001	14,351	350
Provisions		17,865	17,754	(111)
Interest-bearing loans and borrowings		320	345	25
<b>Total current liabilities</b>		<b>32,186</b>	<b>32,450</b>	<b>264</b>
<b>Non-current liabilities</b>	13.1.2			
Provisions		1,991	2,051	60
Interest-bearing loans and borrowings		27,748	27,403	(345)
<b>Total non-current liabilities</b>		<b>29,739</b>	<b>29,454</b>	<b>(285)</b>
<b>Total liabilities</b>		<b>61,925</b>	<b>61,904</b>	<b>(21)</b>
<b>Net assets</b>		<b>1,755,558</b>	<b>1,777,647</b>	<b>22,089</b>
<b>Equity</b>	13.1.3			
Accumulated surplus		711,058	726,316	15,258
Reserves		1,044,500	1,051,331	6,831
<b>Total equity</b>		<b>1,755,558</b>	<b>1,777,647</b>	<b>22,089</b>

#### 13.1.1 Current assets (\$6.255 million increase) and Non-Current Assets (\$15.813 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 2019-2020 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, contribution of non-monetary assets, depreciation of assets and through the sale of property, plant and equipment.

### 13.1.2 Current Liabilities (\$0.264 million increase) and Non-Current Liabilities (\$0.285 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 2018-2019 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 (\$22.089 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 \$15.258 million results directly from the surplus for the year

### Working Capital (\$6.061 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.

	2018-2019 Forecast \$'000	2019-2020 Budget \$'000	Variance \$'000
<b>Current Assets</b>	<b>100,241</b>	<b>106,496</b>	<b>6,255</b>
<b>Current Liabilities</b>	<b>32,186</b>	<b>32,450</b>	<b>264</b>
<b>Working Capital</b>	<b>68,055</b>	<b>74,046</b>	<b>5,991</b>
Restricted cash and investment current assets			
- Statutory reserves	(5,446)	(5,621)	(175)
- Trust funds and deposits	(5,933)	(6,117)	(184)
<b>Unrestricted working capital</b>	<b>52,427</b>	<b>62,308</b>	<b>9,881</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 2020 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 95.0 per cent of total rates and charges raised will be collected in 2019-2020
- 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 2018-2019 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 \$0.320 million
- Total capital expenditure to be \$47.81 million

## Long term strategies

### 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 Victorian and Australian Governments in addition to the reduction in Victorian and Australian 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 Victorian 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 2019-2020 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.

#### 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 2019-2020 to 2023-2024 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

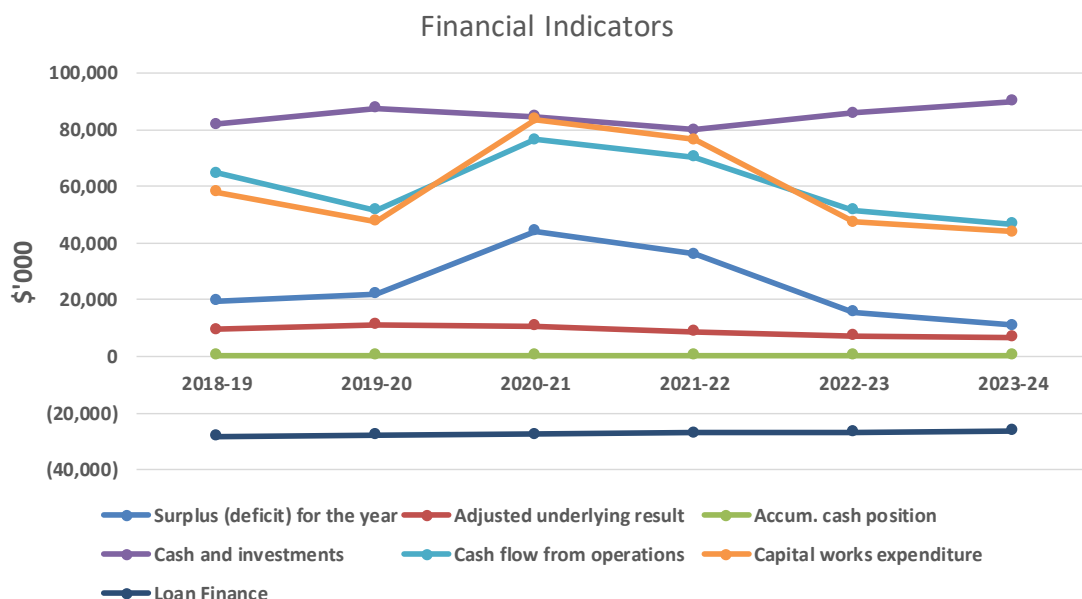
The SRP is updated annually through a rigorous process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.

## 14.2 Financial resources

The following table summarises the key indicative financial results for the five years 2019-2020 to 2023-2024. 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			
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Surplus (deficit) for the year	20,476	22,089	44,357	36,186	15,698	11,073
Adjusted underlying result	9,434	11,181	10,834	8,861	7,438	6,762
Accum. cash position	500	500	500	500	500	500
Cash and investments	89,228	95,936	92,883	88,455	94,211	98,570
Cash flow from operations	65,528	51,683	76,467	70,434	51,547	46,803
Capital works expenditure	57,932	47,810	83,656	76,544	47,454	44,068
Loan Finance	(28,068)	(27,748)	(27,403)	(27,033)	(26,641)	(26,214)

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 over the five year period from \$95.936 million to \$98.570 million
- **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 \$27.75 million to \$26.21 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 \$299.44 million at an average of \$59.89 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 66% 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.

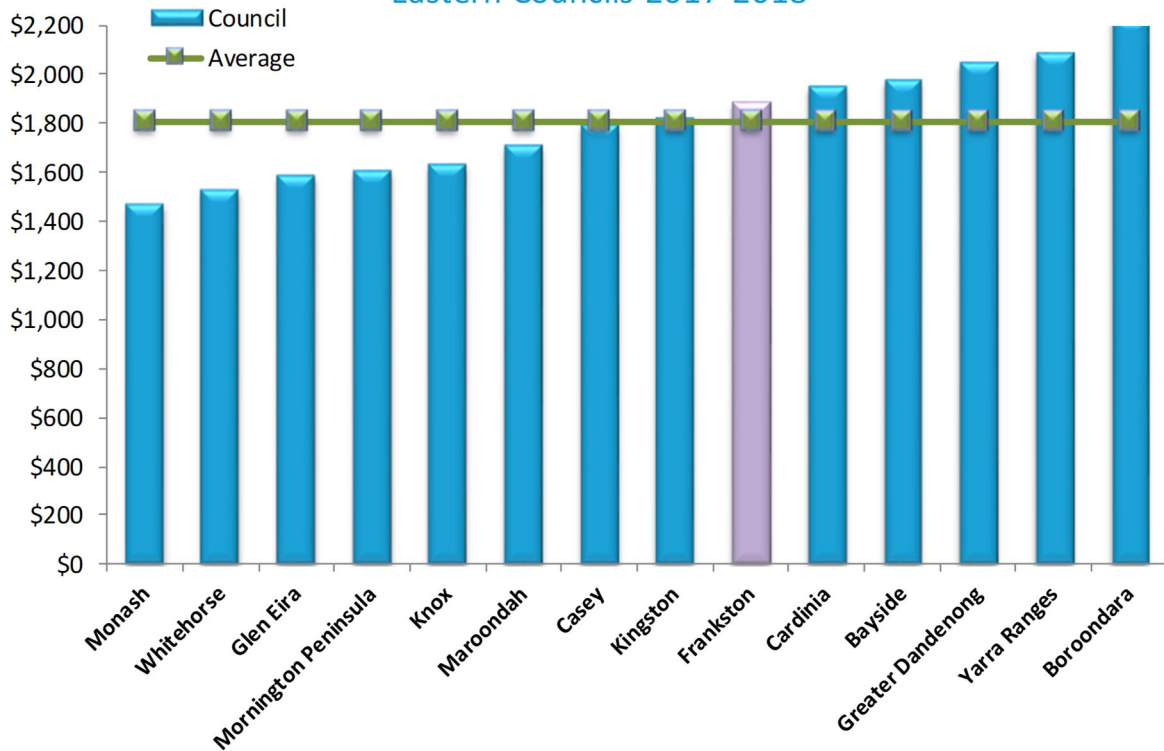
However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly every second year when applying new valuations to all properties within the municipality which results in individual rate payers facing varied increases 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 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 following graph displays that on a rates per assessment basis (for 2017-2018), Council's \$1,885 per assessment is the sixth highest of the group and higher than the average amount of \$1,807 per assessment.

### Rates per Assessment Eastern Councils 2017-2018



The figures highlighted above are drawn from the 2017-2018 Annual Reports of the various Councils and given Council's rate increase in 2019-2020 of 2.50 per cent, 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 per cent, green waste charge by 5.00 per cent and the general waste collection charge by 7.50 per cent. This will raise total rate and charges for 2019-2020 of \$126.694 million, including \$0.769 million generated from supplementary rates.

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

Year	General Rate %	Municipal Charge %	General Waste Charge %	Green Waste Charge %	Total Rates Raised \$'000
2018/19	2.25	2.25	10.00	2.25	121,455
2019/20	2.50	2.50	7.50	5.00	126,694
2020/21	2.50	2.50	2.50	2.50	129,969
2021/22	2.50	2.50	2.50	2.50	133,370
2022/23	2.50	2.50	2.50	2.50	136,862
2023/24	2.50	2.50	2.50	2.50	140,563

### 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 2019-2020.

Differential Type	% Difference to General Rate 2019/20	% Difference to General Rate 2018/19
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	+6.00%	+6.00%
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 2019-2020. A more detailed analysis of the rates to be raised is contained in Section 7 “Rates and charges”.

Rate Type	How applied	2018-2019	2019-2020	Total Raised \$'000	Change
Ordinary Rate	Cents in \$ of CIV	0.2165	<b>0.2320</b>	73,522	7.13%
Rate for Retirement Villages	Cents in \$ of CIV	0.1624	<b>0.1740</b>	260	7.13%
Rate for Commercial Land	Cents in \$ of CIV	0.2707	<b>0.2900</b>	8,044	7.13%
Rate for Industrial Land	Cents in \$ of CIV	0.2707	<b>0.2900</b>	5,389	7.13%
Rate for Vacant Residential Land	Cents in \$ of CIV	0.2707	<b>0.2900</b>	963	7.13%
Rate for Acacia Heath	Cents in \$ of CIV	0.2300	<b>0.2458</b>	493	6.89%
Rate for Farm Land	Cents in \$ of CIV	0.1732	<b>0.1856</b>	39	7.13%
Rate for Derelict Land	Cents in \$ of CIV	0.6496	<b>0.6959</b>	2	7.13%
Rate for Cultural & Recreational	Cents in \$ of CIV	various	<b>various</b>	247	various
Rate by agreement (including Baxter Village)	Cents in \$ of CIV	various	<b>various</b>	122	various
Municipal Charge	\$ per property	\$159.10	<b>\$163.10</b>	10,231	2.5%
Residential Bin 240L	\$ per property	\$532.30	<b>\$572.20</b>	7	7.5%
Residential Bin 120L	\$ per property	\$353.70	<b>\$380.20</b>	14,644	7.5%
Residential Bin 80L	\$ per property	\$281.60	<b>\$302.70</b>	5,426	7.5%
Residential Bin 120L (Fortnightly Pickup)	\$ per property	\$331.20	<b>\$356.00</b>	110	7.5%
Residential Bin 80L (Fortnightly Pickup)	\$ per property	\$259.20	<b>\$278.60</b>	79	7.5%
Green Waste Bin	\$ per property	\$138.55	<b>\$145.50</b>	5,853	5.0%
Commercial Bin 120L	\$ per property	\$353.70	<b>\$380.20</b>	365	7.5%
Commercial Bin 80L	\$ per property	\$281.60	<b>\$302.70</b>	70	7.5%
Commercial Recycling Bin	\$ per property	\$189.00	<b>\$203.20</b>	17	7.5%
Additional Residential Recycling Bin	\$ per property	\$50.00	<b>\$50.00</b>	43	-

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.

## 16. Other long term 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 2020.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2018/19	-	7,023	1,573	28,068
2019/20	-	320	1,481	27,748
2020/21	-	345	1,455	27,403
2021/22	-	370	1,431	27,033
2022/23	-	392	1,404	26,641
2023/24	-	427	1,378	26,214

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

	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
New borrowings						
Principal paid	7,023	320	345	370	392	427
Interest paid	1,573	1,481	1,455	1,431	1,404	1,378
Balance 30 June	28,068	27,748	27,403	27,033	26,641	26,214

### 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.

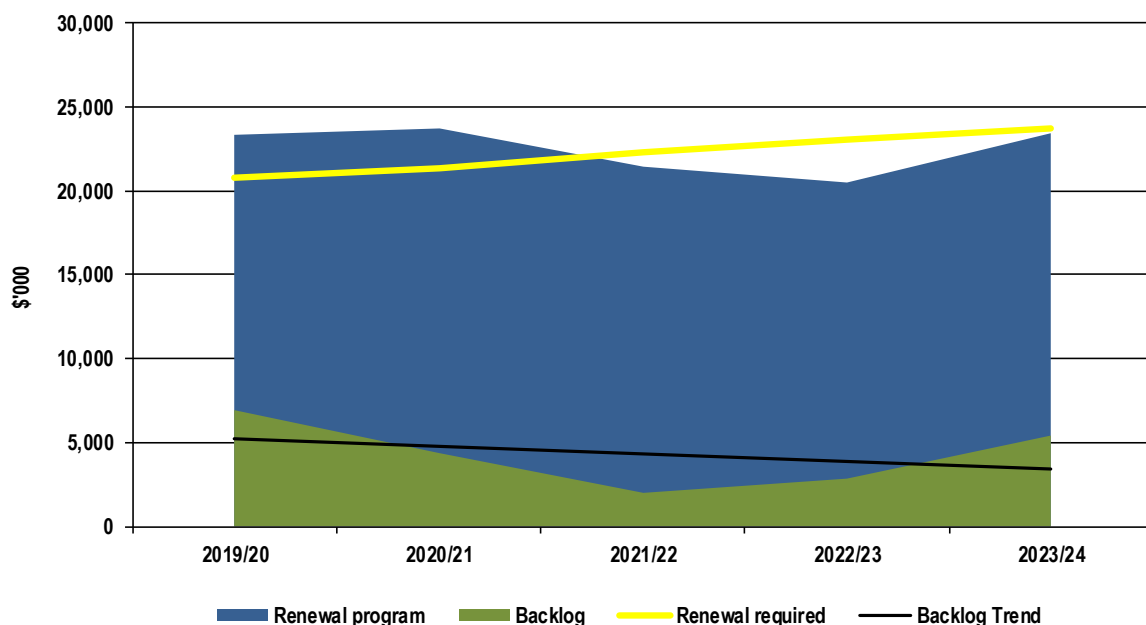
The strategy has been developed through a rigorous process of consultation and evaluation. The key aspects of the process are as follows:

- 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 remains committed to meeting its infrastructure needs. The asset renewal backlog is expected to decrease over the next five (5) year period. This investment is in accordance with its funding strategy to alleviate the total renewal backlog over a 10 year period outlined in Council’s Long Term Financial Plan (LTFP) and upcoming Long Term Infrastructure Plan (LTIP). The graph below sets out the required and actual asset renewal from 2019-2020 to 2023-2024.



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

	Forecast	Budget	Strategic Resource Plan Projections			
	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
<b>External</b>						
Government grants	6,082	8,463	31,105	25,610	6,545	2,596
Contribution	3,245	730	703	-	-	-
Proceeds from sale of assets	1,015	1,290	3,564	1,084	1,032	973
<b>Subtotal</b>	<b>10,342</b>	<b>10,483</b>	<b>35,372</b>	<b>26,694</b>	<b>7,577</b>	<b>3,569</b>
<b>Internal</b>						
Reserve funds	2,986	1,383	11,712	12,817	1,936	565
Rate funding	44,604	35,944	36,572	37,033	37,941	39,934
<b>Total Capital Works</b>	<b>57,932</b>	<b>47,810</b>	<b>83,656</b>	<b>76,544</b>	<b>47,454</b>	<b>44,068</b>



## Annual Budget 2019-2020

### 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





## Annual Budget 2019-2020

### Appendix A

## Adopted 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 2019-2020 year. Council adopted these fees and charges at its ordinary meeting held on 1 April 2019.

**Frankston City Council**  
**2019-2020 Fees and Charges**



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Community Strengthening</b>				
<b>Community Development</b>				
Ebdale Community Hub: Community Groups Community Room Hire - Per Hour	PER HOUR	30.00	32.00	6.67%
Ebdale Community Hub: Community Groups Room Hire - Full Day	PER DAY	84.00	89.00	5.95%
Ebdale Community Hub: Community Groups Room Hire -Half Day	PER HALF DAY	60.00	63.00	5.00%
Ebdale Community Hub: Corporate Group Meeting Room Hire - Half Day	PER HALF DAY	95.00	100.00	5.26%
Ebdale Community Hub: Corporate Group Meeting Room Hire - Full Day	PER DAY	146.00	154.00	5.48%
Frankston North Community Centre Casual Hire - Annex	PER HOUR	27.00	29.00	7.41%
Frankston North Community Centre Casual Hire - Computer Room	PER HOUR	20.00	21.00	5.00%
Frankston North Community Centre Casual Hire - Jack Verity Hall Weekday inc. Sat before 3pm	PER HOUR	37.00	39.00	5.41%
Frankston North Community Centre Casual Hire - Kitchen Sun-Fri, Sat before 3pm	PER HOUR	27.00	29.00	7.41%
Frankston North Community Centre Casual Hire - Meeting Rooms	PER HOUR	27.00	29.00	7.41%
Frankston North Community Centre Concession (group) Hire - Meeting Rooms	PER HOUR	7.50	7.50	0.00%
Frankston North Community Centre Concession (group) Hire - Jack Verity Hall Sun-Fri, Sat before 3pm	PER HOUR	7.50	7.50	0.00%
Frankston North Community Centre Hire - Full Day Community - Computer Room	PER DAY	101.00	106.00	4.95%
Frankston North Community Centre Permanent Hire - Annex	PER HOUR	22.00	24.00	9.09%
Frankston North Community Centre Permanent Hire - Jack Verity Hall Sun-Fri, Sat before 3pm	PER HOUR	27.00	29.00	7.41%
Frankston North Community Centre Permanent Hire - Meeting Rooms	PER HOUR	22.00	24.00	9.09%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Frankston South Community &amp; Rec. Centre</b>				
Energise Room Hire Commercial	PER HOUR	26.00	28.00	7.69%
Energise Room Hire Community	PER HOUR	23.00	25.00	8.70%
Meeting Room 1 Hire Commercial	PER HOUR	26.00	35.00	34.62%
Meeting Room 1 Hire Community	PER HOUR	22.00	30.00	36.36%
Meeting Room 2 Hire Commercial	PER HOUR	25.00	27.00	8.00%
Meeting Room 2 Hire Community	PER HOUR	22.00	24.00	9.09%
Relaxation Room Hire Commercial	PER HOUR	23.00	25.00	8.70%
Relaxation Room Hire Community	PER HOUR	21.00	23.00	9.52%
Stadium Hire Commercial	PER HOUR	37.00	39.00	5.41%
Stadium Hire Community	PER HOUR	31.00	33.00	6.45%
Youth Hub - Commercial	PER HOUR	-	20.00	new
Youth Hub - Community	PER HOUR	-	18.00	new
<b>Family Health Support Services</b>				
<b>Home Personal &amp; Respite Care</b>				
CHSP - Home Care Fees & Charges (average)	PER HOUR	7.00	7.20	2.86%
CHSP - Personal Care Fees & Charges (average)	PER HOUR	5.00	5.50	10.00%
CHSP - Respite Care Fees & Charges (average)	PER HOUR	3.30	3.70	12.12%
HACC - Home Care Fees & Charges (average)	PER HOUR	7.00	7.20	2.86%
HACC - Personal Care Fees & Charges (average)	PER HOUR	5.50	5.50	0.00%
HACC - Respite Care Fees & Charges (average)	PER HOUR	3.20	3.70	15.63%
<b>Brokerage Services</b>				
Aged Care Packages (Average)	PER HOUR	59.00	-	-100.00%
<b>Home Maintenance</b>				
CHSP - Home Maintenance Fees (average)	PER HOUR	11.00	12.30	11.82%
CHSP - Home Modification Fees (average)	PER HOUR	11.50	12.30	6.96%
HACC - Home Maintenance Fees (average)	PER HOUR	11.50	12.30	6.96%
<b>Planning &amp; Positive Ageing</b>				
Social Inclusion Program - Pot Luck	PER ACT	4.00	4.00	0.00%
<b>Meals on Wheels</b>				
CHSP - Meals on Wheels Fees (average)	PER MEAL	6.60	7.40	12.12%
HACC - Meals on Wheels Fees (average)	PER MEAL	7.40	7.40	0.00%
<b>PAG/ Community Transport</b>				
CHSP - PAG Fees & Charges (average)	PER HOUR	2.40	3.00	25.00%
HACC - PAG Fees & Charges (average)	PER HOUR	2.40	3.00	25.00%
<b>Kindergarten Registration</b>				
Pre-School Fees	PER APPL	26.00	28.00	7.69%
<b>Mahogany Rise Child and Family Centre</b>				
Mahogany Rise Child Care Daily Fee	PER DAY	105.00	110.00	4.76%
<b>Community Buses</b>				
Fees for Bus	PER DAY	125.00	132.00	5.60%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Arts and Culture</b>				
<b>Events</b>				
Administration fee - Filming, Photography, Circus, Commercial and Community Events	PER PERM	-	105.00	new
City Centre - Commercial Filming/Photography - per hour (up to 8 hours)	PER HOUR	-	85.00	new
City Centre - Commercial Events, Filming/Photography - per day	PER PERM	1,130.00	650.00	-42.48%
City Centre - Commercial Events, Filming/Photography - per week	PER PERM	3,990.00	3,990.00	0.00%
City Centre - Community Events, Filming/Photography - per day	PER DAY	-	162.50	new
City Centre - Community Events, Filming/Photography - per week	PER WEEK	-	970.00	new
City Centre - Community Filming/Photography - per hour	PER HOUR	-	22.00	new
Frankston Waterfront (grassed area) - Commercial Filming/Photography - per hour (up to 8 hours)	PER HOUR	-	125.00	new
Frankston Waterfront (grassed area) - Commercial Events, Filming/Photography - per day	PER PERM	1,700.00	1,000.00	-41.18%
Frankston Waterfront (grassed area) - Commercial Events, Filming/Photography - per week	PER PERM	5,680.00	5,680.00	0.00%
Frankston Waterfront (grassed area) - Community Events, Filming/Photography - per day	PER DAY	-	250.00	new
Frankston Waterfront (grassed area) - Community Events, Filming/Photography - per week	PER WEEK	-	1,483.90	new
Frankston Waterfront (grassed area) - Community Filming/Photography - per hour	PER HOUR	-	31.50	new
Frankston's Christmas Festival of Lights - Beverage and Snack Stall 3m x 3m Site	PER SITE	410.00	410.00	0.00%
Frankston's Christmas Festival of Lights - Beverage and Snack Stall 6m x 3m Site	PER SITE	620.00	620.00	0.00%
Frankston's Christmas Festival of Lights - Food Stall 3m x 3m Site	PER SITE	590.00	590.00	0.00%
Frankston's Christmas Festival of Lights - Food Stall 6m x 3m Site	PER SITE	920.00	920.00	0.00%
Frankston's Christmas Festival of Lights - Food Stall 9m x 3m Site	PER SITE	1,080.00	1,080.00	0.00%
Frankston's Christmas Festival of Lights - Market Stall 3m x 3m Site	PER SITE	110.00	110.00	0.00%
Frankston's Christmas Festival of Lights - Market Stall 6m x 3m	PER SITE	190.00	190.00	0.00%
Late Lodgement Fee - Commercial Events (4 weeks)	PER APPL	400.00	400.00	0.00%
Late Lodgement Fee - Community Events (4 weeks)	PER APPL	250.00	250.00	0.00%
Late Lodgement Fee - Filming, Photography (2 weeks)	PER APPL	150.00	150.00	0.00%
Parks, Beaches and Reserves - Commercial Events, Filming/Photography - per day	PER PERM	855.00	300.00	-64.91%
Parks, Beaches and Reserves - Commercial Events, Filming/Photography - per week	PER PERM	1,700.00	1,700.00	0.00%
Parks, Beaches and Reserves - Commercial Filming/Photography - per hour (up to 8 hours)	PER HOUR	-	40.00	new
Parks, Beaches and Reserves - Community Events, Filming/Photography - per day	PER DAY	-	75.00	new
Parks, Beaches and Reserves - Community Events, Filming/Photography - per week	PER WEEK	-	444.00	new
Parks, Beaches and Reserves - Community Filming/Photography - per hour	PER HOUR	-	10.00	new

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
Party in the Park - Commercial Business 3m x 3m Site	PER SITE	110.00	110.00	0.00%
Party in the Park - Commercial Business 6m x 3m Site	PER SITE	220.00	220.00	0.00%
Pets' Day Out - Beverage and Snack Stall 3m x 3m Site	PER SITE	215.00	215.00	0.00%
Pets' Day Out - Beverage and Snack Stall 6m x 3m Site	PER SITE	275.00	275.00	0.00%
Pets' Day Out - Food Stall 3m x 3m Site	PER SITE	270.00	270.00	0.00%
Pets' Day Out - Food Stall 6m x 3m Site	PER SITE	355.00	355.00	0.00%
Pets' Day Out - Food Stall 9m x 3m Site	PER SITE	475.00	475.00	0.00%
Pets' Day Out - Market Stall 3m x 3m Site	PER SITE	140.00	140.00	0.00%
Pets' Day Out - Market Stall 6m x 3m Site	PER SITE	190.00	190.00	0.00%
Pets' Day Out - Not For Profit Stall 3m x 3m Site	PER SITE	50.00	50.00	0.00%
Pets' Day Out - Not For Profit Stall 6m x 3m Site	PER SLID	60.00	60.00	0.00%
The Mayor's Family Picnic - Beverage and Snack 3m x 3m Site	PER SITE	210.00	110.00	-47.62%
The Mayor's Family Picnic - Beverage and Snack 6m x 3m Site	PER SITE	-	220.00	new
The Mayor's Family Picnic - Commercial Market Stall 3m x 3m Site	PER SITE	220.00	220.00	0.00%
The Mayor's Family Picnic - Commercial Market Stall 3m x 6m Site	PER SITE	260.00	260.00	0.00%
The Mayor's Family Picnic - Community Market Stall 3m x 3m Site	PER SITE	50.00	50.00	0.00%
The Mayor's Family Picnic - Community Market Stall 3m x 6m Site	PER SITE	75.00	75.00	0.00%
The Mayor's Family Picnic - Market Stall 6m x 3m Site	PER SITE	80.00	80.00	0.00%
The Waterfront Festival - Beverage and Snack Stall 3m x 3m site	PER SITE	410.00	410.00	0.00%
The Waterfront Festival - Beverage and Snack Stall 6m x 3m site	PER SITE	620.00	620.00	0.00%
The Waterfront Festival - Food Stall 3m x 3m Site	PER SITE	590.00	590.00	0.00%
The Waterfront Festival - Food Stall 6m x 3m Site	PER SITE	920.00	920.00	0.00%
The Waterfront Festival - Food Stall 9m x 3m Site	PER SITE	1,620.00	1,620.00	0.00%
The Waterfront Festival - Licenced Beverage Stall 3m x 3m site	PER SITE	1,340.00	1,340.00	0.00%
The Waterfront Festival - Market Stall 3m x 3m site	PER SITE	110.00	110.00	0.00%
The Waterfront Festival - Market Stall 6m x 3m site	PER SITE	190.00	190.00	0.00%

### Ticketing & CRM

Web Fee	PERTICKE	1.50	1.50	0.00%
Postage Fee	PERENVEL	3.50	3.50	0.00%
Reprint of ticket at Box Office	PERTICKE	1.00	1.00	0.00%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Arts Operations</b>				
Fees Recovery - Casual Labour FOH	PER HOUR	56.00	58.00	3.57%
Fees Recovery - Casual Labour Technical	PER HOUR	64.00	65.00	1.56%
Fees Recovery - Permanent Labour Technical	PER HOUR	64.00	65.00	1.56%
Fees Theatre Rental - Additional Performance Hours	PER HOUR	360.00	376.00	4.44%
Fees Theatre Rental - Per hour (Rehearsal)	PER HOUR	180.00	188.00	4.44%
Fees Theatre Rental - Standard Rate (5hr Performance)	PER BOOK	2,055.00	2,140.00	4.14%
Fees Theatre Rental - Standard Theatre Rental (5hr Rehearsal)	PER BKNG	1,145.00	1,195.00	4.37%
Fees Venue Hire - Cube 37 Gallery Exhibition	PER HIRE	-	-	new
Fees Venue Hire - Cube 37 Studio - Additional Performance Hours	PER HOUR	-	185.00	new
Fees Venue Hire - Cube 37 Studio - Per Hour (Rehearsal)	PER HOUR	-	65.00	new
Fees Venue Hire - Cube 37 Studio (5hr Performance)	PER BKNG	932.00	890.00	-4.51%
Fees Venue Hire - Cube 37 Studio (5hr Rehearsal)	PER BKNG	-	310.00	new
Fees Venue Hire - Labs Cube 37	PER HOUR	35.00	35.00	0.00%
Fees Venue Hire - Labs Cube 37	PER DAY	160.00	160.00	0.00%
Fees Venue Hire - Main Studios Cube 37	PER BKNG	275.00	275.00	0.00%
Fees Venue Hire - Main Studios Cube 37	PER HOUR	60.00	60.00	0.00%
<b>Arts &amp; Culture Management</b>				
Frankston Arts Centre Car Parking - Casual Hourly	PER HOUR	2.00	2.00	0.00%
Frankston Arts Centre Car Parking - Casual Daily	PER DAY	6.50	6.50	0.00%
Frankston Arts Centre Car Parking - Permanent Quarterly (early birds in before 10am, out by 7pm)	PER QUAR	292.50	292.50	0.00%
Frankston Arts Centre Car Parking - Permanent Yearly (early birds in before 10am, out by 7pm)	PER ANN	1,170.00	1,170.00	0.00%
Frankston Arts Centre Car Parking - Permanent Quarterly (24 hour access)	PER QUAR	465.25	465.25	0.00%
Frankston Arts Centre Car Parking - Permanent Yearly (24 hour access)	PER ANN	1,861.00	1,861.00	0.00%
<b>Library - Management</b>				
A3 B&W	PER COPY	0.30	0.30	0.00%
A3 Colour	PER COPY	2.40	2.40	0.00%
A4 B&W	PER COPY	0.25	0.25	0.00%
A4 Colour	PER COPY	1.20	1.20	0.00%
Bookclub Membership	PER MPY	150.00	150.00	0.00%
Bookclub Membership - Concession	PER MPY	-	-	new
Community Groups Room Hire - Full Day	PER BKNG	95.00	100.00	5.26%
Community Groups Room Hire - Half Day	PER BKNG	63.00	65.00	3.17%
Community Groups Room Hire - One Hour	PER BKNG	32.00	33.00	3.13%
Corporate Groups Room Hire - Full Day	PER BKNG	210.00	220.00	4.76%
Corporate Groups Room Hire - Half Day	PER BKNG	152.00	155.00	1.97%
Debt Recovery	PER FINE	7.00	7.30	4.29%
Lost items processing fees / charges for lost parts	PER ITEM	9.50	10.00	5.26%
Overdue fees	PER BOOK	0.30	0.30	0.00%
Replacement library items - average item cost	PER BOOK	28.00	29.00	3.57%
Replacement Membership Card	PER MBPM	4.50	4.70	4.44%
<b>Library - Infrastructure</b>				
Inter-library loans - Set National Library charges	PER BOOK	16.50	16.50	0.00%
Inter-library loans - Library fee	PER BOOK	2.85	3.00	5.26%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Community Safety</b>				
<b>Health Services</b>				
Caravan Park Registration Fee	PER SITE	14.45	14.45	0.00%
Food Act - Home Based Kitchen Fee - Class 2	PER PERM	345.00	365.00	5.80%
Food Act - Home Based Kitchen Fee - Class 3	PER PERM	295.00	310.00	5.08%
Food Act - Streatrader - Mobile Class 2	PER PERM	410.00	430.00	4.88%
Food Act - Streatrader - Mobile Class3	PER PERM	300.00	315.00	5.00%
Food Act - Streatrader - Temporary Class 2	PER PERM	160.00	170.00	6.25%
Food Act - Streatrader - Temporary Class 3	PER PERM	115.00	120.00	4.35%
Food Act Plan Approval Fee - Community Group	PER PERM	75.00	80.00	6.67%
Food Act Plan Approval Fee - Home Based Kitchen	PER PERM	105.00	110.00	4.76%
Food Act Plan Approval Fee - Standard	PER PERM	155.00	165.00	6.45%
Food Act Transfer Registration Fee - Standard	PER PERM	310.00	330.00	6.45%
Food Transfer Express Service Fee	PER PERM	105.00	110.00	4.76%
Food Transfer Registration Fee - Standard	PER PERM	-	315.00	new
Health Act Plan Approval Fee - High Risk	PER PERM	155.00	165.00	6.45%
Health Act Plan Approval Fee - Medium Risk	PER PERM	105.00	110.00	4.76%
Health Act Prescribed Accommodation Plan Approval <20 Beds	PER PERM	105.00	110.00	4.76%
Health Act Prescribed Accommodation Plan Approval >40 Beds	PER PERM	185.00	195.00	5.41%
Health Act Prescribed Accommodation Plan Approval 20-40 Beds	PER PERM	155.00	165.00	6.45%
Health Act Transfer Registration Fee - High Risk	PER PERM	205.00	215.00	4.88%
Health Act Transfer Registration Fee - Low Risk	PER PERM	105.00	110.00	4.76%
Health Act Transfer Registration Fee - Medium Risk	PER PERM	155.00	165.00	6.45%
Health Act Transfer Registration Fee - Rooming House	PER PERM	255.00	270.00	5.88%
Health Act Transfer Registration Prescribed Accommodation Fee - <20 beds	PER PERM	155.00	165.00	6.45%
Health Act Transfer Registration Prescribed Accommodation Fee - >40 beds	PER PERM	255.00	270.00	5.88%
Health Act Transfer Registration Prescribed Accommodation Fee - 20-40 beds	PER PERM	205.00	215.00	4.88%
Health Transfer Express Service Fee	PER PERM	55.00	58.00	5.45%
Registration fee - Class 1A premises	PER PERM	1,370.00	1,440.00	5.11%
Registration fee - Class 1B premises	PER PERM	510.00	540.00	5.88%
Registration fee - Class 2 Large Scale Bakery	PER PERM	1,560.00	1,650.00	5.77%
Registration fee - Class 2A premises	PER PERM	655.00	690.00	5.34%
Registration fee - Class 2B premises	PER PERM	410.00	435.00	6.10%
Registration fee - Class 2C premises	PER PERM	155.00	165.00	6.45%
Registration fee - Class 3 premises	PER PERM	300.00	315.00	5.00%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
Registration fee - Health Act - High Risk	PER PERM	290.00	305.00	5.17%
Registration fee - Health Act - Low Risk - One Off Set Up	PER PERM	250.00	265.00	6.00%
Registration fee - Health Act - Medium Risk	PER PERM	270.00	285.00	5.56%
Registration fee - Prescribed Accommodation <20 beds	PER PERM	250.00	265.00	6.00%
Registration fee - Prescribed Accommodation 20 - 40 beds	PER PERM	270.00	285.00	5.56%
Registration fee - Prescribed Accommodation >40 beds	PER PERM	290.00	305.00	5.17%
Registration fee - Rooming House - 10 rooms	PER PERM	1,070.00	1,125.00	5.14%
Registration fee - Rooming House - 11 rooms	PER PERM	1,180.00	1,240.00	5.08%
Registration fee - Rooming House - 3-5 rooms	PER PERM	560.00	590.00	5.36%
Registration fee - Rooming House - 6 rooms	PER PERM	660.00	695.00	5.30%
Registration fee - Rooming House - 7 rooms	PER PERM	770.00	810.00	5.19%
Registration fee - Rooming House - 8 rooms	PER PERM	870.00	920.00	5.75%
Registration fee - Rooming House - 9 rooms	PER PERM	970.00	1,020.00	5.15%
Registration fee - Supermarkets	PER PERM	530.00	560.00	5.66%
Septic Tank Permit - New Commercial Installation	PER PERM	510.00	540.00	5.88%
Septic Tank Permit Alteration Fee	PER PERM	215.00	230.00	6.98%
Septic Tank Permit Fee	PER PERM	430.00	460.00	6.98%

### Fire Safety

Burning off Permits - Residential	ANNUALCH	65.00	70.00	7.69%
Burning off periods - Commercial	ANNUALCH	270.00	285.00	5.56%
Hazard Removal	PER APPL	155.00	165.00	6.45%

### Litter & CCTV

Pound Release Fee - Trolleys & miscellaneous	PER TROL	65.00	70.00	7.69%
Impound Fee - Shopping Trolleys	PER TROL	45.00	50.00	11.11%

### Charged Car Parking

Parking Fee - Hourly	PER HOUR	2.00	2.00	0.00%
Parking Fee - Daily	PER DAY	6.50	6.50	0.00%
Foreshore Parking Meters	PER HOUR	3.20	3.20	0.00%
Frankston House Car Parking (per Quarter)	PER PERM	350.00	370.00	5.71%
Private Parking Agreement Application Fee	PER PERM	250.00	250.00	0.00%
Foreshore Parking Permit - Additional	PER PERM	80.00	80.00	0.00%
Residential Parking Permit Replacement Fee	PER PERM	-	5.00	new
Foreshore Parking Permit - Replacement	PER PERM	60.00	60.00	0.00%



# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Compliance &amp; Enforcement Services</b>				
Advertising Signage - A frames Annual Fee	ANNUALCH	150.00	160.00	6.67%
Advertising Signage - Application Fee	PER APPL	165.00	175.00	6.06%
Advertising Signage - Mobile A frames Annual Fee	ANNUALCH	550.00	580.00	5.45%
Advertising Signage - Real Estate Agents - Annual Fee	ANNUALCH	-	155.00	new
Advertising Signage - Real Estate Agents - Application Fee	PER APPL	-	165.00	new
Advertising Signs - Pound Release Fee	PER SIGN	-	30.00	new
Animal (de-sexed) Registration Fees	PER ANIM	55.00	58.00	5.45%
Animal (de-sexed) Registration Fees - Concession	PER ANIM	27.00	29.00	7.41%
Bulk Bin/Container Annual Permit Fee	ANNUALCH	720.00	760.00	5.56%
Bulk Bin/Container Daily Permit Fee	PER DAY	30.00	35.00	16.67%
Bulk Bin/Container Weekly Permit Fee	PER WEEK	75.00	80.00	6.67%
Container Placement Permit Fee	PER PERM	-	245.00	new
Daily Storage Fee - Seized Vehicles	PER VEHI	45.00	50.00	11.11%
Display of Goods - Annual Fee	ANNUALCH	330.00	350.00	6.06%
Display of Goods - Application Fee	PER APPL	115.00	120.00	4.35%
Dogs Over 10 Years of age Registration Fee	PER ANIM	-	58.00	new
Dogs Registered with applicable Organisation Registration Fee	PER ANIM	-	58.00	new
Domestic Animal Business Breeding Dogs Registration Fee	PER ANIM	-	200.00	new
Excess Animal Fee	PER PERM	115.00	125.00	8.70%
Foster Care Animal Registration Fee	PER ANIM	-	8.00	new
Heavy Vehicle Application Fee	PER APPL	120.00	130.00	8.33%
Heavy Vehicle Permit Fee	PER PERM	215.00	230.00	6.98%
Keast Park Horse Permit Fee	ANNUALCH	375.00	395.00	5.33%
Miscellaneous Vehicle Permit Fee	PER APPL	85.00	90.00	5.88%
Outdoor Dining - Application Fee	PER APPL	110.00	115.00	4.55%
Outdoor Dining - Chairs - Licensed Fee	PER CHAI	45.00	50.00	11.11%
Outdoor Dining - Chairs - Non Licensed Fee	PER CHAI	35.00	40.00	14.29%
Outdoor Dining - Tables - Licensed Fee	PER TABL	85.00	90.00	5.88%
Outdoor Dining - Tables - Non Licensed Fee	PER TABL	65.00	70.00	7.69%
Pet Shop/Domestic Animal Business Registration Fee	PER PERM	300.00	350.00	16.67%
Pound Release Fee - Cats	PER ANIM	85.00	90.00	5.88%
Pound Release Fee - Dogs	PER ANIM	180.00	190.00	5.56%
Pound Release Fee - Livestock	PER ANIM	200.00	210.00	5.00%
Pound Release Fee - Motor Bikes	PER VEHI	860.00	910.00	5.81%
Pound Release Fee - Motor Bikes - 2nd Offence	PER VEHI	1,200.00	1,260.00	5.00%
Pound Release Fee - Motor Vehicles	PER VEHI	375.00	395.00	5.33%
Pound Release Fee - Small animals/birds	PER ANIM	50.00	53.00	6.00%
Recreation Vehicle Application Fee	PER APPL	100.00	105.00	5.00%
Recreation Vehicle Permit Fee	PER PERM	100.00	105.00	5.00%
Restricted, Menacing and Dangerous Dogs Registration Fee	PER ANIM	350.00	370.00	5.71%
Service Request - Compliance	PER REQU	80.00	85.00	6.25%
Signage Impound Fee	PER ITEM	210.00	225.00	7.14%
Temporary De-sexing Exemption Registration Fee	PER ANIM	-	200.00	new
Working Dog Registration Fee	PER ANIM	-	58.00	new

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Building Services</b>				
Building Lodgement Fee (Administration)	PER APPL	39.10	118.90	204.09%
Building over Street Alignment & other (Reg 88 & 89)	PER APPL	262.10	283.40	8.13%
Building Regulation Siting Dispensations (Part 5)	PER APPL	262.10	283.40	8.13%
Certification Fee	PER HOUR	165.00	180.00	9.09%
Consulting Fee	PER HOUR	300.00	180.00	-40.00%
Lapsed Permit Inspections outside FCC	PER HOUR	-	180.00	new
Lapsed Permit Inspections within FCC	PER APPL	-	450.00	new
Major Variation to Building Permit (Plans/specifications etc)	PER HOUR	165.00	180.00	9.09%
Minor Variation to Building Permit (Amendment to Certificates/Builders Details)	PER PERM	350.00	540.00	54.29%
Permit - Above ground & barrier (pools & spas)	PER APPL	410.00	900.00	119.51%
Permit - Barrier/fencing only (pools & spas)	PER APPL	400.00	540.00	35.00%
Permit - Below ground & barrier (pools & spas)	PER HOUR	1,120.00	180.00	-83.93%
Permit - Commercial Project - >\$15K	PER HOUR	1,025.00	180.00	-82.44%
Permit - Commercial Project - up to \$15K	PER APPL	890.00	990.00	11.24%
Permit - Demolition - Commercial Basic (single storey)	PER APPL	855.00	1,350.00	57.89%
Permit - Demolition - Commercial Multi Storey	PER HOUR	165.00	180.00	9.09%
Permit - Demolition - Residential Basic (single storey)	PER APPL	600.00	810.00	35.00%
Permit - Demolition - Residential Multi Storey	PER HOUR	750.00	180.00	-76.00%
Permit - Extension of time < \$50K	PER APPL	165.00	360.00	118.18%
Permit - Extension of time > \$50K	PER APPL	595.00	540.00	-9.24%
Permit - Residential - Major Works - \$15K - \$60K	PER APPL	1,350.00	1,440.00	6.67%
Permit - Residential - Major Works - \$60K - \$200K	PER APPL	1,700.00	1,980.00	16.47%
Permit - Residential - Major Works - < \$15K	PER APPL	990.00	900.00	-9.09%
Permit - Residential - Major Works > \$200K	PER HOUR	2,570.00	180.00	-93.00%
Permit - Residential - Minor Works - \$5K - \$15K	PER APPL	1,000.00	1,080.00	8.00%
Permit - Residential Multi Building/Rooming House (Class 18) on 1 allotment	PERBUILD	1,310.00	180.00	-86.26%
Permit - Residential/Fences - Minor Works - < \$5K	PER APPL	595.00	540.00	-9.24%
Permit Inspections	PER APPL	300.00	270.00	-10.00%
Plan copies - Industrial & Commercial (Digital Copies Only)	PER APPL	-	250.00	new
Plan Copies - Residential (Digital Copies Only)	PER APPL	60.00	180.00	200.00%
POPE - Final Inspection & Occupation Permit	PER APPL	550.00	540.00	-1.82%
POPE - Temporary Structure Siting Application Fee (over 2,500 people)	PER APPL	-	900.00	new
POPE - Temporary Structure Siting Application Fee (up to 2,500 people)	PER ADMI	305.00	540.00	77.05%
POPE - Weekend Inspection & Occupation Permit	PER HOUR	980.00	270.00	-72.45%
Precaution over street alignment (Reg 116, 109 & 134)	PER APPL	262.10	287.60	9.73%
Provision of Information - Building Permit Particulars	PER APPL	52.20	46.10	-11.69%
Provision of Information - Building Permit Particulars - 24 hour turnaround	PER APPL	140.00	150.00	7.14%
Provision of Information - Property Particulars	PER APPL	52.20	46.10	-11.69%
Swimming Pool Audits	PER INSP	8,080.00	900.00	-88.86%
Victoria Building Authority BC Levy (per \$1,000 of work in excess of \$10,000)	PERBUILD	1.28	1.28	0.00%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Operations</b>				
<b>Foreshore Reserve Maintenance</b>				
Boat Launching Fees - Non resident	PER PERM	170.00	180.00	5.88%
Boat Launching Fees - Replacement permits	PER PERM	15.00	16.00	6.67%
Boat Launching Fees - Resident	PER PERM	95.00	100.00	5.26%
Boat Launching Fees - Resident Discounted 3 yr in Advance Payment	PER APPL	230.00	245.00	6.52%
Ticket Machines	PER DAY	15.00	15.00	0.00%
<b>Sporting Reserves Maintenance</b>				
CAA -Minor event fees - Bond	PER BKNG	1,050.00	1,050.00	0.00%
CAA- Minor event fees - half day	PER HALF	98.00	104.00	6.12%
CAA-Minor event fees Full day	PER DAY	165.00	175.00	6.06%
Commercial Fitness Provider - Passive Open Space	PER HOUR	6.00	6.50	8.33%
Sports Ground Fees - Community Group outside FCC Bond if required	PER FUNC	1,050.00	1,100.00	4.76%
Sports Ground Fees - Community Group outside FCC Full Day	PER DAY	260.00	274.00	5.38%
Sports Ground Fees - Community Group outside FCC Half Day	PER HALF	160.00	168.00	5.00%
Sports Ground Fees -Commercial Bond if required	PER FUNC	1,050.00	1,100.00	4.76%
Sports Ground fees Commercial Fees	PER HOUR	102.00	108.00	5.88%
Sports Ground Fees -Commercial Full Day	PER DAY	760.00	800.00	5.26%
Sports Ground Fees -Commercial Half Day	PER HALF	370.00	390.00	5.41%
Sports Ground fees FCC Schools	PER HOUR	39.00	41.00	5.13%
Sports Ground Fees FCC Schools Full Day 9-3	PER BKNG	163.00	172.00	5.52%
<b>Centenary Park Golf Course</b>				
18 holes- Mid week	18 HOLES	28.00	29.00	3.57%
9 holes- Mid week	9 HOLES	23.00	23.70	3.04%
18 holes- Mid week Concession	18 HOLES	23.00	23.70	3.04%
9 holes- Mid week Concession	18 HOLES	19.00	19.60	3.16%
18 holes- Weekend	18 HOLES	34.00	35.00	2.94%
9 holes- Weekend	9 HOLES	25.00	25.75	3.00%
18 holes- Weekend Junior	18 HOLES	24.00	24.75	3.13%
9 holes- Weekend Junior	9 HOLES	21.00	21.60	2.86%
Off Peak - unlimited Golf	PER ADMI	18.00	18.50	2.78%
Season Tickets- Adult (play Saturday or Sunday)	SEASON T	1,065.00	1,100.00	3.29%
Season Tickets- Pensioner (Weekdays)	SEASON T	725.00	750.00	3.45%
Season Tickets- Junior/Student	SEASON T	375.00	390.00	4.00%
Season Tickets - Senior Resident	SEASON T	805.00	830.00	3.11%

**Frankston City Council**  
**2019-2020 Fees and Charges**



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Planning and Environment</b>				
<b>Statutory Planning</b>				
A0 Sheets	PER COPY	17.00	18.00	5.88%
A1 Sheets	PER COPY	12.50	13.20	5.60%
A3 Sheets	PER COPY	1.80	1.95	8.33%
A4 Sheets	PER COPY	1.80	1.95	8.33%
Advertising additional letters	PER APPL	6.50	6.85	5.38%
Advertising up to 10 letters - no sign	PER APPL	105.00	110.00	4.76%
plus sign	PER APPL	47.00	50.00	6.38%
Amendment of certified plan	PER APPL	137.30	138.70	1.02%
Certificate of Compliance	PER APPL	317.90	321.00	0.98%
Copy of Permit	PER REQU	31.00	35.00	12.90%
Copy of Permit and Plans	PER REQU	147.00	155.00	5.44%
Create vary or remove a restriction	PER APPL	1,286.10	1,299.00	1.00%
Development \$1,000,001 - \$5,000,000	PER APPL	3,330.70	3,364.00	1.00%
Development \$100,001 - \$1,000,000	PER APPL	1,510.00	1,525.10	1.00%
Development \$15,000,001-\$50,000,000	PER APPL	25,034.60	25,284.00	1.00%
Development \$5,000,001-\$15,000,000	PER APPL	8,489.40	8,574.30	1.00%
Development <\$10,000	PER APPL	195.10	197.00	0.97%
Development >\$50,000,000	PER APPL	56,268.30	56,831.00	1.00%
Development<\$100,000	PER APPL	1,119.90	1,131.10	1.00%
Ext. of Time	PER APPL	500.00	525.00	5.00%
Per application	PER APPL	170.50	172.20	1.00%
Planning Scheme Amendment Stage 1	PER APPL	2,976.70	3,006.50	1.00%
Planning Scheme Amendment Stage 2 a) i.	PER ACT	14,753.50	14,901.00	1.00%
Planning Scheme Amendment Stage 2 a) ii.	PER ACT	29,478.00	29,772.80	1.00%
Planning Scheme Amendment Stage 2 a) iii.	PER ACT	39,405.20	39,799.25	1.00%
Planning Scheme Amendment Stage 3	PER APPL	469.60	474.30	1.00%
preparation of advert fee & sign	PER APPL	313.00	329.00	5.11%
Preparation of Section 173	PER REQU	1,300.00	1,360.00	4.62%
recertification fee	PER APPL	108.40	109.50	1.01%
Regulation 7 fee	PER APPL	3,901.50	3,940.50	1.00%
Regulation 8 fee	PER APPL	939.30	948.70	1.00%
Request to end or vary an existing Section 173 Agreement	PER REQU	643.00	649.40	1.00%
Satisfaction Matters	PER APPL	317.90	321.00	0.98%
Secondary Consent	PER APPL	500.00	525.00	5.00%
Single Dwelling \$1,000,001 - \$2,000 000	PER APPL	1,459.50	1,474.10	1.00%
Single Dwelling \$10,000-\$100,000	PER APPL	614.10	620.25	1.00%
Single Dwelling \$100,001 - \$500 000	PER APPL	1,257.20	1,269.80	1.00%
Single Dwelling \$500,001 - \$1,000 000	PER APPL	1,358.30	1,371.90	1.00%
Subdivision - up to 100 lots	PER APPL	1,286.10	1,299.00	1.00%
Subdivision (boundary realignment)	PER APPL	1,286.10	1,299.00	1.00%
Subdivision (two lots)	PER APPL	1,286.10	1,299.00	1.00%
Subdivision of an existing building	PER APPL	1,286.10	1,299.00	1.00%
Use Application & any other application not in regs	PER APPL	1,286.10	1,299.00	1.00%
VicSmart - To subdivide land	PER APPL	195.10	197.00	0.97%
VicSmart <\$10,000	PER APPL	195.10	197.00	0.97%
VicSmart >\$10,001	PER APPL	419.10	423.30	1.00%
Written Confirmation	PER APPL	120.00	126.00	5.00%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Environmental Planning</b>				
Guidelines for street tree removal - indigenous self sown - large	PER APPL	7,820.00	8,220.00	5.12%
Guidelines for street tree removal - indigenous self sown - medium	PER APPL	3,135.00	3,295.00	5.10%
Guidelines for street tree removal - indigenous self sown - small	PER APPL	1,662.00	1,750.00	5.29%
Guidelines for street tree removal - large	PER APPL	4,515.00	4,750.00	5.20%
Guidelines for street tree removal - medium	PER APPL	1,910.00	2,000.00	4.71%
Guidelines for street tree removal - small	PER APPL	1,070.00	1,188.15	11.04%
Local Law 22 Pruning Application Fee	PER APPL	68.00	72.00	5.88%
Local Law 22 Removal Application Fee - additional trees	PER APPL	40.00	42.00	5.00%
Local Law 22 Removal Application Fee - up to 3 trees	PER APPL	120.00	126.00	5.00%
Local Law 22 Works within TPZ Application Fee	PER APPL	68.00	72.00	5.88%

<b>Recycling Services</b>				
<b>Frankston Regional Recycling &amp; Recovery</b>				
Hard Waste per cubic metre Resident	PER ITEM	75.00	79.00	5.33%
Hard Waste per cubic metre Non Resident	PER ITEM	85.00	90.00	5.88%
Soil/Concrete/Bricks per cubic metre	PER ITEM	62.70	66.00	5.26%
Green Waste per cubic metre	PER ITEM	36.58	38.50	5.25%
Tyres Car	PER ITEM	9.00	10.00	11.11%
Tyres Car with rim	PER ITEM	15.00	16.00	6.67%
Tyre Light Truck	PER ITEM	15.00	16.00	6.67%
Tyre Light Truck with rim	PER ITEM	20.00	21.00	5.00%
Tyre Large Truck	PER ITEM	25.00	27.00	8.00%
Tractor	PER ITEM	100.00	105.00	5.00%
Christmas Tree	PER ITEM	5.00	6.00	20.00%
Mattresses	PER ITEM	25.00	27.00	8.00%

<b>Financial Services</b>				
<b>Rates &amp; Valuations</b>				
Land Information Certificate (standard 5 days)	PER CERT	25.90	26.50	2.32%
Urgent Land Information Certificate (24 hours)	PER CERT	75.00	80.00	6.67%
Dishonour Fee	PER ACT	35.00	38.00	8.57%

<b>Administration and Corporate Projects</b>				
<b>Governance</b>				
Freedom of Information Application Fee	PER APPL	28.40	28.90	1.76%
Freedom of Information Search Fee	PER HOUR	21.30	21.70	1.88%
Freedom of Information Inspection Fee	PER HOUR	21.30	21.70	1.88%
A4 Copy - Black & White	PER COPY	0.20	0.20	0.00%
A3 Copy - Black & White	PER COPY	0.40	0.40	0.00%
A4 Copy - Colour	PER COPY	0.40	0.40	0.00%
A3 Copy - Colour	PER COPY	0.80	0.80	0.00%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Community Relations</b>				
<b>Public &amp; Community Halls</b>				
Mechanics - Main Hall - Hourly Hire - Community	PER HOUR	38.00	40.00	5.26%
Mechanics - Main Hall - Hourly Hire - Commercial	PER HOUR	55.00	60.00	9.09%
Mechanics - Main Hall Weekend Hire - Community (3.00pm Friday to 5.00pm Sunday)	PER BOOK	1,477.00	1,500.00	1.56%
Mechanics - Main Hall Weekend Hire - Commercial (3.00pm Friday to 5.00pm Sunday)	PER BOOK	2,110.00	2,300.00	9.00%
Mechanics - Main Hall Block Hire - Community 3.00pm - 12.00am	PER BOOK	355.00	410.00	15.49%
Mechanics - Main Hall Block Hire - Commercial 3.00pm - 12.00am	PER BOOK	633.00	690.00	9.00%
Mechanics - Meeting Room - Hourly Hire - Casual - Community	PER HOUR	28.00	30.00	7.14%
Mechanics - Meeting Room - Hourly Hire - Casual - Commercial	PER HOUR	40.00	46.00	15.00%
Mechanics - Main Hall - Liquor Surcharge	PER BOOK	110.00	120.00	9.09%
Mechanics - Meeting Room - Liquor Surcharge	PER BOOK	110.00	120.00	9.09%
Bruce Park - Hourly Hire - Casual - Community	PER HOUR	31.00	32.50	4.84%
Bruce Park - Hourly Hire - Casual - Commercial	PER HOUR	44.00	50.00	13.64%
Bruce Park - Hourly Hire - Permanent - Community	PER HOUR	20.00	22.50	12.50%
Bruce Park - Hourly Hire - Permanent - Commercial	PER HOUR	29.00	35.00	20.69%
Bruce Park - Block Hire - 3.00pm - 12.00am	PER BOOK	290.00	320.00	10.34%
Bruce Park - Hourly Hire - Senior Rate	PER HOUR	6.50	7.00	7.69%
Bruce Park Hall - Liquor surcharge	PER BOOK	68.00	80.00	17.65%
Seaford Hall - Main Hall - Hourly Hire - Casual - Community	PER HOUR	38.00	40.00	5.26%
Seaford Hall - Main Hall - Hourly Hire - Casual - Commercial	PER HOUR	55.00	60.00	9.09%
Seaford Hall - Main Hall - Hourly Hire - Permanent - Community	PER HOUR	24.00	26.00	8.33%
Seaford Hall - Main Hall - Hourly Hire - Permanent - Commercial	PER HOUR	35.00	40.00	14.29%
Seaford Hall - Main Hall - Block hire 3.00pm - 1.00am	PER BOOK	355.00	390.00	9.86%
Seaford Hall - Hourly Hire - Senior rates	PER HOUR	8.00	8.50	6.25%
Seaford Hall - Meeting Room - Hourly Hire - Casual - Community	PER HOUR	28.00	30.00	7.14%
Seaford Hall - Meeting Room - Hourly Hire - Casual - Commercial	PER HOUR	40.00	46.00	15.00%
Seaford Hall - Meeting Room - Hourly Hire - Permanent - Community	PER HOUR	20.00	21.00	5.00%
Seaford Hall - Meeting Room - Hourly Hire - Permanent - Commercial	PER HOUR	26.00	32.50	25.00%
Seaford Meeting Room - Senior Rates	PER HOUR	8.00	8.50	6.25%
Seaford Hall - Liquor surcharge	PER BOOK	83.00	80.00	-3.61%
Seaford Meeting Room - Liquor surcharge	PER BOOK	83.00	80.00	-3.61%

# Frankston City Council

## 2019-2020 Fees and Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
Langwarrin Hall - Hourly Hire - Casual - Community	PER HOUR	28.00	30.00	7.14%
Langwarrin Hall - Hourly hire - Casual - Commercial	PER HOUR	42.00	46.00	9.52%
Langwarrin Hall - Hourly Hire - Permanent - Community	PER HOUR	19.00	20.00	5.26%
Langwarrin Hall - Hourly hire - Permanent - Commercial	PER HOUR	26.00	30.00	15.38%
Langwarrin Hall - Block hire 3.00pm - 1.00am	PER BOOK	280.00	310.00	10.71%
Langwarrin Hall - Hourly Hire - Seniors Rate	PER HOUR	7.00	8.00	14.29%
Leawarra House - Hourly Hire - Casual - Community	PER HOUR	28.00	31.00	10.71%
Leawarra House - Hourly Hire - Casual - Commercial	PER HOUR	44.00	48.00	9.09%
Leawarra House - Hourly Hire - Permanent - Community	PER HOUR	20.00	22.50	12.50%
Leawarra House - Hourly Hire - Permanent - Commercial	PER HOUR	29.00	35.00	20.69%
Leawarra House - Hourly Hire - Senior Rate	PER HOUR	6.50	7.50	15.38%
Talbot Hall - Hourly Hire - Casual - Community	PER HOUR	28.00	30.00	7.14%
Talbot Hall - Hourly Hire - Casual - Commercial	PER HOUR	42.00	46.00	9.52%
Talbot Hall - Hourly Hire - Permanent - Community	PER HOUR	19.00	20.00	5.26%
Talbot Hall - Hourly Hire - Permanent - Commercial	PER HOUR	27.00	30.00	11.11%
Talbot Hall - Hourly Hire - Senior Rate	PER HOUR	6.50	7.50	15.38%
Langwarrin Hall - Liquor surcharge	PER BOOK	68.00	80.00	17.65%
Leawarra House - Liquor Surcharge	PER BOOK	68.00	80.00	17.65%
Talbot Hall - Liquor Surcharge	PER BOOK	68.00	80.00	17.65%
Cleaning surcharge - Public holiday	PER BOOK	32.00	35.00	9.38%
Hall Weekend Surcharge - Casual Hire	PER BOOK	44.00	48.00	9.09%
Rubbish Removal Charge (Penalty after Hire - Major)	PER BOOK	157.00	170.00	8.28%
Rubbish Removal Charge (Penalty after Hire - Minor)	PER BOOK	52.00	60.00	15.38%

### Commercial Services

#### Property, Leases and Licences

Boat shed/Bathing Box fees	ANNUALCH	875.00	900.00	2.86%
New Licence (Boat Shed/Bathing Box)	PER ACT	500.00	525.00	5.00%



**Frankston City Council**  
**2019-2020 Fees and Charges**



Type of Fees and Charges	Unit Charge Rate	Adopted 2018/19 Fee (GST Incl.)	Proposed 2019/20 Fee (GST Incl.)	Fee Increase %
<b>Engineering Services</b>				
<b>Engineering Developments</b>				
Application Fee	PER APPL	55.00	58.00	5.45%
Asset Protection Permit	PER APPL	220.00	230.00	4.55%
Drainage Tappings (Roads & Easements)	PER APPL	225.00	235.00	4.44%
Fees - Building Over Easements	PER APPL	85.00	90.00	5.88%
Flood Plain Building Approval	PER APPL	140.00	147.00	5.00%
Hoarding/Fencing & Awnings	PER APPL	90.00	95.00	5.56%
Legal Point Of Discharge	PER APPL	65.35	66.98	2.49%
Location Fee	PER APPL	110.00	116.00	5.45%
Mobile Crane/Travel Tower - Over 10 Tonne	PER APPL	110.00	116.00	5.45%
Mobile Crane/Travel Tower - Under 10 Tonne	PER APPL	55.00	58.00	5.45%
Occupation of Council Land Fees - outside FMAC (per metre)	PER APPL	4.00	4.00	0.00%
Occupation of Council Land Fees - within FMAC (per metre)	PER APPL	6.00	6.00	0.00%
RMA Fees - VC, Naturestrips, Road Openings	PER APPL	143.00	146.00	2.10%
<b>Traffic &amp; Transport</b>				
Dispensation Corner Fencing	PER APPL	125.00	131.00	4.80%





## Annual Budget 2019-2020

### 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 proposed Annual Budget 2019-2020, which is included in this report, is for the year 1 July 2019 to 30 June 2020 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 2020 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards and the Local Government Model Accounts. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

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 April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

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

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

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

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



## Annual Budget 2019-2020

### Appendix C

## Detailed capital works projects

This appendix presents a listing of the capital works projects that will be undertaken for the 2019-2020 year.

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

- Buildings
- Drainage
- Footpaths and cycleways
- Parks, open space and streetscapes
- Recreational, leisure and community facilities
- Roads

## 2019-2020 Capital Works Program

Project Name	2019-2020 Budget Allocation \$'000	Rates Funded \$'000	Other Funding Source \$'000
<b>PROPERTY</b>			
<b>Buildings</b>			
Ballam Park - soccer pavilion	2,900	2,500	400
Overport Park - pavilion	2,320	2,120	200
RF Miles Recreation Reserve - pavilion	2,000	-	2,000
Monterey Reserve - soccer pavilion	1,300	-	1,300
Orwil Street community house - extension	700	700	-
Belvedere Bowls Club - building extension	600	-	600
Jubilee Park - netball centre construction	600	600	-
Structured recreation pavilions renewal	530	530	-
Centenary Park - sporting complex	500	500	-
Civic and operations facilities renewal	500	500	-
Peninsula Aquatic and Recreation Centre	500	500	-
Family support and aged services facilities renewal	450	450	-
Carrum Bowls Club Keast Park pavilion	380	80	300
Arts and culture renewal	360	360	-
RF Miles Recreation Reserve - reconstruction	347	347	-
Communities facilities renewal	250	250	-
Facility maintenance contract renewal	250	250	-
Facilities painting	250	250	-
Frankston Memorial Park - public toilet	200	200	-
Jubilee Park - Kevin Collopy Pavilion	100	100	-
Skye Recreation Reserve - pavilion upgrade	100	-	100
Nairn Marr Djambana	100	100	-
Pines Aquatic Centre renewal	100	100	-
Centenary Park Golf Club Building extension excluding pro shop	75	75	-
Proposed Langwarrin library	75	75	-
Centenary Park Golf Course security upgrade and shed	70	70	-
Langwarrin men's shed	60	60	-
Belvedere Child and Family Centre	50	50	-
Belvedere Reserve - Linen House upgrade	50	50	-
Community halls renewal	50	50	-
Storm and vandalism renewal	50	50	-
Frankston coast guard	50	50	-
Concrete slab for Seaford farmers market shed	50	50	-
Frankston North Community Centre - annex	30	30	-
Frankston Arts Centre (internal lighting) - LED upgrade	20	20	-
Ebdale Community Hub - lamp upgrades to LEDs	19	19	-
Frankston Arts Centre (car park lighting) - LED upgrades	16	16	-
Peninsula Reserve - public toilet	10	10	-
Meals on wheels - T8 lamp upgrades to LEDs	3	3	-
<b>Total Buildings</b>	<b>16,015</b>	<b>11,115</b>	<b>4,900</b>
<b>TOTAL PROPERTY</b>	<b>16,015</b>	<b>11,115</b>	<b>4,900</b>

## 2019-2020 Capital Works Program

Project Name	2019-2020 Budget Allocation \$'000	Rates Funded \$'000	Other Funding Source \$'000
<b>PLANT AND EQUIPMENT</b>			
<b>Plant, machinery and equipment</b>			
Plant and equipment replacement	1,424	1,424	-
Light vehicles replacement	1,200	1,200	-
Installation of CCTV cameras	100	100	-
Office furniture and equipment renewal	50	50	-
Noise monitor	45	45	-
Safe city surveillance system - CCTV camera renewal	40	40	-
Minor plant and equipment replacement	30	30	-
Litter bin replacement	25	25	-
Ticket machine replacement	20	20	-
Yamala Reserve - solar PV - Yamala Park bowling clubhouse	13	13	-
Solar PV - Delacombe Park football/cricket pavilion	12	12	-
Karingal PLACE Neighbourhood Centre - 8kW solar system	10	10	-
<b>Total plant, machinery and equipment</b>	<b>2,969</b>	<b>2,969</b>	<b>-</b>
<b>Fixtures, fittings and furniture</b>	<b>145</b>	<b>145</b>	<b>-</b>
<b>Computers and telecommunications</b>			
New systems implementations	1,480	1,480	-
Core infrastructure renewal	1,200	1,200	-
SQL server renewal	200	200	-
Network and comms renewal	100	100	-
Microwave network renewal	80	80	-
GIS mapping renewal	50	50	-
Anti-virus software replacement	50	50	-
Libraries - booking system library meeting rooms	19	19	-
Reporting system renewal	11	11	-
<b>Total computers and telecommunications</b>	<b>3,190</b>	<b>3,190</b>	<b>-</b>
<b>Library books</b>	<b>700</b>	<b>700</b>	<b>-</b>
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>7,004</b>	<b>7,004</b>	<b>-</b>

## 2019-2020 Capital Works Program

Project Name	2019-2020 Budget Allocation \$'000	Rates Funded \$'000	Other Funding Source \$'000
<b>INFRASTRUCTURE</b>			
<b>Roads</b>			
Road renewal	3,000	3,000	-
Roads to Recovery	595	-	595
Kerb renewal	320	320	-
Barretts Road - special charge scheme	100	100	-
Liddesdale Avenue landslip remediation	100	100	-
Kerb and channel construction - various locations	50	50	-
Taylors Road - road investigation	50	50	-
Warringa Road - improved road surface	35	35	-
<b>Total roads</b>	<b>4,250</b>	<b>3,655</b>	<b>595</b>
<b>Footpaths and cycleways</b>			
Footpath renewal program	700	700	-
Pathway renewal - Council reserves	200	200	-
North Road - pathway - (South side)	180	180	-
CAA streetscape - footpath / pedestrian renewal works	100	100	-
Shared path renewals	100	100	-
Seaford Wetlands - recreational connections	95	95	-
Bay Trail footpath renewal - Beach Street to Mile Bridge	70	70	-
Bicycle path safety upgrades	40	40	-
Baxter Trail improvements	30	30	-
Brighton Street - shared pathway	30	30	-
<b>Total footpaths and cycleways</b>	<b>1,545</b>	<b>1,545</b>	<b>-</b>

## 2019-2020 Capital Works Program

Project Name	2019-2020 Budget Allocation \$'000	Rates Funded \$'000	Other Funding Source \$'000
<b>Recreational, leisure and community facilities</b>			
Frankston Park oval 1 lighting	1,850	200	1,650
Playground strategy implementation	1,236	1,236	-
Sporting grounds - playing surface renewal	1,190	1,190	-
Delacombe Park Reserve - soccer 1 lighting	500	-	500
Sports lighting renewal	400	200	200
Centenary Park Golf Course irrigation upgrade	290	290	-
Cricket net replacement	250	250	-
Irrigation and drainage systems at Council reserves renewal	200	200	-
Centenary Park Golf Course master plan	150	150	-
Dunsterville Reserve - new sub-local playground	150	150	-
Overport Park - bike track design and construction	110	110	-
Carrum Downs Recreation Reserve master plan	50	50	-
Frankston Park - coaches box	50	-	50
Playground improvements/demolition	50	50	-
Lighting design for Lawton Reserve	50	50	-
Ballam Park - West oval athletics hammer throw cage	50	50	-
Playground undersurfacing renewal	40	40	-
Overport Park - Frankston Dolphins netball courts	35	35	-
Sporting ground goal post replacement	30	30	-
Baxter Park -develop equestrian master plan	30	30	-
Sporting ground - pitch cover upgrade and renewal	20	20	-
<b>Total recreational, leisure and community facilities</b>	<b>6,731</b>	<b>4,331</b>	<b>2,400</b>
<b>Bridges</b>			
Minor bridge and pedestrian structures	200	200	-
Major bridges	250	250	-
<b>Total bridges</b>	<b>450</b>	<b>450</b>	<b>-</b>
<b>Drainage</b>			
Easement drainage pit alterations	200	200	-
Gatic pit lid renewal program	200	200	-
Drainage pipes and pits	100	100	-
Drainage - Council reserves	100	100	-
Frankston South drainage strategy - Murawa Street Catchment	100	100	-
Design and scoping for Frankston South drainage strategy	100	100	-
Frankston South Drainage Strategy - Esplanade	100	100	-
Frankston Park and Beauty Park - Stormwater treatment	80	80	-
Minor drainage works	50	50	-
Wangarra McMahons Road catchment strategy	50	50	-
Renewal of existing water sensitive urban design assets	50	50	-
Frankston drainage strategy	50	50	-
Water sensitive urban design	50	50	-
Flood and catchment modelling	20	20	-
Lloyd Park drainage	10	10	-
<b>Total drainage</b>	<b>1,260</b>	<b>1,260</b>	<b>-</b>



## 2019-2020 Capital Works Program

Project Name	2019-2020		Other
	Budget	Rates	Funding
	Allocation	Funded	Source
	\$'000	\$'000	\$'000
<b>Waste management</b>			
Waste management	150	150	-
<b>Waste management</b>	<b>150</b>	<b>150</b>	<b>-</b>
<b>Parks, open space and streetscapes</b>			
Renew 6,996 T5 (30.5W) street lights to 17W LED lights.	725	657	68
Clyde St Mall - upgrade	650	370	280
Station Street Mall upgrade (stage 1)	400	300	100
Downs Estate - infrastructure upgrade	350	350	-
Station Street Mall - streetscape upgrade (stage 2)	280	280	-
Frankston Park - reconfigure eastern end of oval	250	250	-
Sculpture public artwork development	200	200	-
CAA - greening and improvement	200	200	-
Retaining wall renewal	200	200	-
Shopping strip aesthetics upgrade	180	180	-
Evelyn Street and O'Grady Avenue improvements	180	180	-
Frankston foreshore - signage and lighting	175	175	-
Boundary fencing replacement	150	150	-
Ballam Park - master plan implementation	140	140	-
Frankston CAA - laneway activation	140	140	-
Boulevards and gateway treatments	130	130	-
Shannon Mall - streetscape upgrade	100	100	-
Open space renewal	100	100	-
Erosion control fence renewal - Seaford/Frankston foreshore	100	100	-
Barrier and guard rail renewal	100	100	-
Ball protection fences	100	100	-
Foreshore disability access and inclusion implementation	80	80	-
Fence upgrade - Council reserves	80	80	-
Frankston foreshore - aquatic risk assesment on the foreshore	75	75	-
Frankston foreshore - 3 phase power at beach front	75	75	-
Kananook Creek - 2 viewing platforms	75	75	-
Seaford foreshore illumination lighting	70	70	-
Local park upgrade program for parks in Frankston	60	60	-
New park way finding signage	55	55	-
Gateway development - McClelland Gallery and Peninsula Link	51	51	-
Foreshore pedestrian and beach entrances renewal	50	50	-
Foreshore minor infrastructure renewal	50	50	-
Public artworks renewal	50	50	-
Lighting for sporting reserves	50	50	-
Langwarrin equestrian centre - develop masterplan	50	50	-
Kananook Creek - dredging and entrance redesign	50	50	-
Coastal safe boat refuge	50	50	-
Shade sail at Montague Park playground	40	40	-
Shade sail - Seaford Pier	40	40	-
Shade sail - Southgateway Park	40	40	-

## 2019-2020 Capital Works Program

Project Name	2019-2020 Budget Allocation \$'000	Rates Funded \$'000	Other Funding Source \$'000
Signage - various reserves	30	30	-
Street lighting renewal	30	30	-
Seaford foreshore - beach access design and upgrade	30	30	-
Wittenberg Reserve - upgrade design	30	30	-
Frankston North gateway developments - Excelsior Drive	30	30	-
Frankston North gateway developments - Monterey Boulevard	30	30	-
Frankston North gateway developments - Forest Drive	30	30	-
Frankston North gateway developments - Dandenong Road	30	30	-
White Street Mall upgrade	20	20	-
<b>Total parks, open space and streetscapes</b>	<b>6,201</b>	<b>5,753</b>	<b>448</b>
<b>Off Street Car Parks</b>			
Overport Park - carpark and pathways	1,015	1,015	-
Carpark program	700	700	-
Linen House carpark	20	20	-
<b>Total Off Street Car Parks</b>	<b>1,735</b>	<b>1,735</b>	<b>-</b>
<b>Other Infrastructure</b>			
Seaford Precinct - local area traffic management	800	400	400
Sweetwater Precinct - local area traffic management	500	250	250
Woodlands Precinct - local area traffic management	450	450	-
Fairway Precinct - local area traffic management	400	200	200
Minor traffic treatments.	100	100	-
Cranbourne Road bluestone retaining walls	80	80	-
Local area traffic management - renewal program	50	50	-
Street lighting upgrades	30	30	-
Pines Patch community garden - disability access	30	30	-
Hartnett Drive - local area traffic management	30	30	-
<b>Total Other Infrastructure</b>	<b>2,470</b>	<b>1,620</b>	<b>850</b>
<b>TOTAL INFRASTRUCTURE</b>	<b>24,791</b>	<b>20,498</b>	<b>4,293</b>
<b>TOTAL NEW CAPITAL WORKS 2019-2020</b>	<b>47,810</b>	<b>38,617</b>	<b>9,193</b>
<b>2. Summary</b>			
PROPERTY	16,015	11,115	4,900
PLANT AND EQUIPMENT	7,004	7,004	-
INFRASTRUCTURE	24,791	20,498	4,293
<b>TOTAL CAPITAL WORKS</b>	<b>47,810</b>	<b>38,617</b>	<b>9,193</b>



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