

# Strategic Resource Plan

2018-19 to 2021-22



Mildura Rural City Council

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## What is a strategic resource plan?

The Strategic Resource Plan (SRP) provides details of the financial and non-financial resources required to achieve Council's strategic objectives, as outlined in the Council and Community Plan (Council Plan). The SRP is updated annually and is reflected in our Annual Budget.

## Plan development

The Act requires a SRP to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan.

Council has prepared a SRP for the four years 2018/19 to 2021/22 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

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

The key financial objectives, which underpin the SRP, are:

- Existing service levels are to be maintained
- Achieve a breakeven operating result
- Continue to fund asset renewal
- Maintain a capital expenditure program at an affordable level
- Achieve a balanced budget on a cash basis

In preparing the SRP, we have to be mindful of the need to comply with the following Principles of Sound Financial Management as contained in the *Local Government 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.

## Financial resources

We have developed a Strategic Financial Plan (SFP) setting out the strategies to be employed to support the achievement of Council Plan objectives within a sustainable financial framework. The outcomes of this plan are reflected in the following budgeted standard statements, and form part of the overall SRP.

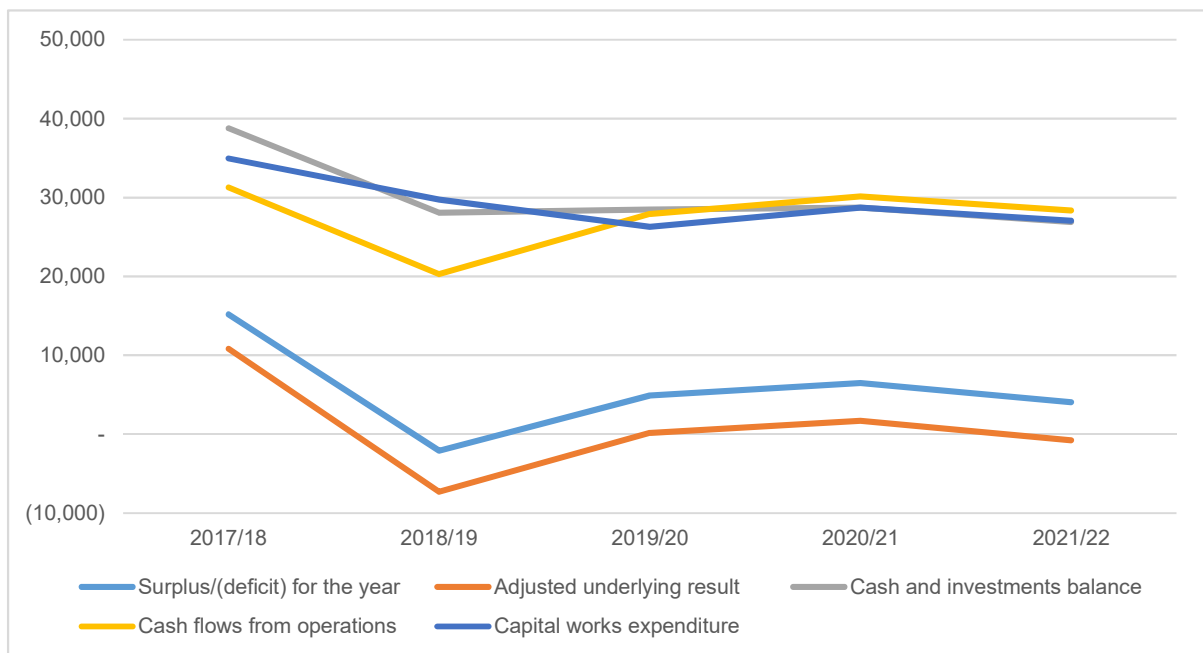
The following provides a summary of the key strategies identified in Council's SFP.

Financial area	Strategy
Rates	Rates will be capped at a 2.25% base average increase in accordance with Victorian State Government legislation. This increase is required to cover general cost movements, including labour and non-labour costs, and sufficient to fund required service levels and capital works activities. Future rate increases are based on the December Victorian State Government Budget Consumer Price Index (CPI) predictions of 2.25%
Loan borrowings	<p>Borrowings will be used to fund capital projects of a magnitude that could not otherwise be funded from on-going income sources. Our borrowings will be set at a financially sustainable level and within agreed limits (no greater than 40% of rate revenue).</p> <p>We have determined that borrowings will be considered as a means of funding strategic infrastructure initiatives with reference to criteria including funding of projects which are:</p> <ul style="list-style-type: none"> <li>• iconic in nature</li> <li>• of a size that could not otherwise be funded through the annual capital works program</li> <li>• based on a sound business case including consideration of the following factors: <ul style="list-style-type: none"> <li>• the purposes for which the borrowings are being sought including the level of demonstrated community need for the project and the expected life of the infrastructure</li> <li>• reasons why the project cannot be funded through normal operational income</li> <li>• a clear statement of how the repayments will be funded and the impact on funding otherwise available for recurrent services or capital works</li> <li>• any financial return to Council which can be used to meet the loan repayments</li> </ul> </li> </ul> <p>Borrowings may also be required in the future as a means of securing a fixed rate of payment for other liabilities we may face, for example a future requirement to contribute additional amounts to the local government defined benefit superannuation fund.</p> <p>Any future borrowings will be considered carefully in accordance with sound financial management principles and the ability of Council to meet the relevant prudential requirements for borrowing set out by State Government.</p>
Recurrent operating expenditure	Funding for recurrent operating expenditure will be determined annually in line with general cost movements and other cost drivers. Services provided by us will be reviewed in light of the Council Plan and other service specific strategic plans.
Capital works	We will endeavour to dedicate sufficient resources to maintain and in some instances, improve the existing asset base in the long term, with remaining funds being allocated to acquire/ develop new assets.
Fees and charges	Fees and charges are reviewed for appropriateness annually as part of the budget process. The review considers the cost of the service, the price charged by comparable service providers (where applicable) and the extent to which we are required to work within statutory limitations.

The following table summarises the key financial results for the next four years. The financial statements provide a more detailed analysis of the financial resources to be used over the next four years.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2017/18	2018/19	2019/20	2020/21	2021/22	+/-
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	15,201	<b>(2,100)</b>	4,891	6,487	4,045	+
Adjusted underlying result	10,820	<b>(7,306)</b>	147	1,696	(794)	-
Cash and investments balance	38,773	<b>28,065</b>	28,470	28,719	26,901	+
Cash flows from operations	31,283	<b>20,282</b>	27,897	30,155	28,346	+
Capital works expenditure	34,955	<b>29,740</b>	26,289	28,727	27,058	-

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



## Financial performance indicators

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

Indicator	Measure	Notes	Actual	Forecast	Budget	Strategic Resource Plan Projections			Trend
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	+/-
<b>Operating position</b>									
Adjusted underlying result	Adjusted underlying surplus (deficit) / adjusted underlying revenue	1	10.84%	9.10%	(7.30%)	0.13%	1.46%	(0.68%)	-
<b>Liquidity</b>									
Working capital	Current assets / current liabilities	2	267.42%	314.68%	239.07%	234.99%	206.95%	213.79%	-
Unrestricted cash	Unrestricted cash / current liabilities	3	113.16%	202.14%	141.60%	139.87%	123.47%	123.36%	-
<b>Obligations</b>									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	32.92%	30.92%	28.56%	26.09%	23.69%	18.72%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		7.11%	2.80%	2.68%	3.00%	2.91%	5.38%	+
Indebtedness	Non-current liabilities / own source revenue		43.27%	44.76%	42.89%	41.02%	36.96%	35.23%	+
Asset renewal	Asset renewal expenses / asset depreciation	5	80.69%	99.64%	74.60%	91.97%	91.98%	91.94%	o
<b>Stability</b>									
Rates concentration	Rate revenue / adjusted underlying revenue	6	53.35%	55.66%	69.06%	64.43%	63.50%	64.80%	-
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.81%	0.83%	0.77%	0.78%	0.80%	0.82%	o
<b>Efficiency</b>									
Expenditure level	Total expenses/ no. of property assessments		\$3,706.31	\$3,782.25	\$3,715.50	\$3,808.01	\$3,913.13	\$4,021.51	+
Revenue level	Residential rate revenue / no. of residential property assessments		\$1,554.70	\$1,582.87	\$1,583.48	\$1,637.43	\$1,622.58	\$1,677.88	+
Workforce turnover	No. of permanent staff resignations and terminations / average no. of permanent staff for the financial year		12.42%	12.56%	12.56%	12.56%	12.56%	12.56%	+

### Key to Forecast Trend:

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

## Notes to indicators

### 1. Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. The 2018/19 year shows a deficit which is due to a timing difference due to the forward payment of 50% of the Victorian Grants Commission (VGC) funding into 2017/18. Council's financial performance is expected to drop over the period due to the State Government's introduction of The Fair Go Rates System. Victorian Councils rates have been capped at the average Victorian CPI of 2.25% for the 2018/19 year.

### 2. Working capital

The proportion of current liabilities represented by current assets. Working capital is forecast to decrease in 2018/19 year due to a timing difference with the forward payment of 50% of the VGC funding paid into 2017/18. The trend in later years is to remain steady at an acceptable level.

### 3. Unrestricted cash

Unrestricted cash represent Council's cash free of external restrictions. As above this is affected by the forward payment of VGC funding.

### 4. Debt compared to rates

Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

### 5. 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.

### 6. Rates concentration

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

## Non-financial resources

In addition to the financial resources to be consumed over the planning period, we will also consume non-financial resources, in particular human resources. A summary of our anticipated human resources requirements for the 2018/19 year is shown below. A Statement of Human Resources is included in our financial statements.

### Human Resources

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	45,800	<b>47,678</b>	49,537	51,469	53,476
Employee costs - capital	2,118	<b>2,161</b>	2,204	2,290	2,380
<b>Total staff expenditure</b>	<b>47,918</b>	<b>49,839</b>	<b>51,741</b>	<b>53,759</b>	<b>55,856</b>
	FTE	FTE	FTE	FTE	FTE
<b>Staff numbers</b>					
Employees	505.5	<b>509.3</b>	509.3	509.3	509.3
<b>Total staff numbers</b>	<b>505.5</b>	<b>509.3</b>	<b>509.3</b>	<b>509.3</b>	<b>509.3</b>

Our financial projections included within the financial statements, allow for a consistent level of staff over the four-year outlook period (excluding grant funded positions).

We are committed to managing our resources effectively and efficiently to deliver value to the people of our communities and this is highlighted through our strategic objective 'Management of Resources'. Through our key result area 'Organisational Management' we focus on our organisation's commitment to continuous improvement and our commitment to the development and well-being of all staff.

As shown below, Council has 509.3 full time equivalent staff (FTE), 484.1 permanent and 2.6 casual staff are employed to deliver the Community and Council Plan. In addition Council has 22.6 FTE staff budgeted in the capital works program, to maintain, upgrade and develop new infrastructure. Capitalised salaries are not shown as part of Council's employee benefits in the Comprehensive Income Statement, they form part of Council's \$29.74 million capital works program.



A summary of the number of full time equivalent (FTE) Council staff in relation to the above

Department	Budget	Comprises	
	2018/19 FTE	Permanent Full Time	Permanent Part Time
Asset services	41.9	38.6	3.3
Executive services	3.0	3.0	-
Community care services	102.3	37.0	65.3
Community futures	33.5	27.0	6.5
Community general manager	3.9	3.0	0.9
Corporate administration	31.0	29.9	1.1
Corporate general manager	2.0	2.0	-
Development general manager	2.0	2.0	-
Development services	40.6	34.9	5.7
Information systems	15.0	13.0	2.0
Financial services	25.3	23.0	2.3
Leisure and cultural services	54.4	44.0	10.4
Organisational development	12.8	10.0	2.8
Parks and waste services	66.1	63.0	3.1
Works and infrastructure services	50.3	50.3	-
<b>Total permanent staff FTE</b>	<b>484.1</b>	<b>380.7</b>	<b>103.4</b>
Casuals, temporary and other expenditure	2.6		
Capitalised labour costs	22.6		
<b>Total staff FTE</b>	<b>509.3</b>		

Please note that Council has a total head count of 707 staff members budgeted for the 2018/19 year. This consists of 400 full time, 243 part time and 64 casual staff members.

### Service delivery and growing community expectations

Mildura Rural City Council encompasses almost 10% of the state. The vast area increases service delivery costs when compared to metropolitan Councils and resourcing ratios are higher as a result, because services need to be accessible to all as far as practicable.

The community demand and expectations on our services is increasing. The priorities of existing and potential new services need to be continually reviewed, particularly in light of likely funding trends in future years and changes in community expectations and demographics. As a result we are systematically reviewing the service levels currently provided.

In late 2017 the Chinese government announced a new policy banning the importation of certain recyclable goods. This had a major impact on Australia's recycling industry, significantly increasing processing costs. To continue this very beneficial environmental and community service these costs need to be recouped to ensure kerbside recycling services are sustained.

### Environmental sustainability

We acknowledge that we have a significant responsibility to future generations in contributing to the creation and maintenance of a healthy and sustainable environment. The challenge for us is to lead the way for the community through a focus on efficient use of water, energy and the reduction of greenhouse emissions and support for initiatives that establish our municipality as a "solar city". Contributing to the enhancement of the natural areas that connect the municipality to the Murray River and National Park networks remains a key focus.

## Recreational demands

Our Council Plan reflects the strong desire for our community, through participation in recreational and other activities, to enhance their physical and social well-being. A focus on providing access to appropriate recreational facilities and services that can also cater for state, national and international events. The challenge for us into the future is to secure the funds for the development of other facilities, as identified in a number of master plans and strategies, whilst at the same time ensuring the lifecycle and operating costs do not overburden our financial capacity.

## Infrastructure

Infrastructure refers to the assets that we manage and maintain for the community. These include:

- Local roads, footpaths, kerb and channel and drainage
- Buildings such as community halls, maternal and child health centres, pre-schools, child care centres and civic properties
- Sports reserves, bushland reserves, parks and open space
- Street and park furniture
- Waste management facilities

As custodians of the municipality's physical assets, we are working towards a goal of managing infrastructure in a sustainable manner.

Our approach recognises the impact of the physical environment, built and natural, on community life. Community health and wellbeing is enhanced when the amenity of public space is sensitive to the built and natural environment, and supports activity and participation in community life.

We recognised, in our strategic planning, that strong asset management is necessary in order to provide appropriate types and quality of infrastructure, for both current and future community needs.

We have allocated significant financial resources to capital works, for the maintenance and upgrade of existing infrastructure and the development of new infrastructure, over the next four years.

Council is charged with maintaining property, infrastructure, plant and equipment forecast to be valued at \$744.91 million at the end of 2018/19 and will increase to \$778.36 million by the end of 2021/22.

In the next financial year we have allocated \$29.74 million to capital works with a total investment over the term of the plan of \$111.81 million.

The following assets and buildings are maintained by Council:

Sealed local roads	1,030 kms
Unsealed local roads	4,061 kms
Kerb and channel	510 kms
Footpaths and trails	420 kms
Drainage (underground)	324 kms
Drainage pits	10,463
Community centres and halls	20
Sporting pavilions	84
Swimming pools	20 shells (8 sites)
Community service facilities	38
Public toilets	123
Other buildings and structures	1,104
Sports reserves	20
Community parks	25
Neighbourhood parks	49
Natural areas	20
Playgrounds	57

## Strategies

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

### Borrowings

In developing the Strategic Resource Plan (SRP), borrowings were identified as an important funding source for capital works programs. In the past, we have borrowed strongly to finance large infrastructure projects and since then has been in a phase of debt reduction.

This approach has resulted in a reduction in debt servicing costs but has meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs. Our long-term borrowing strategy focuses on reaching a debt position that provides future flexibility to use loan funds, without unduly exposing us to a high debt burden.

For the 2018/19 year, Council has decided not to take out new borrowings. After making loan repayments of \$0.74 million, total borrowings will be \$19.73 million as at 30 June 2019. However, it is likely that in future years, borrowings will be required to fund future infrastructure initiatives.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2017/18	-	700	1,151	20,471
2018/19	-	738	1117	19,733
2019/20	-	1100	1,042	18,633
2020/21	-	1,157	986	17,476
2021/22	-	3,214	882	14,262

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

	2017/18 \$'000	2018/19 \$'000
Total amount borrowed as at 30 June of the prior year	21,171	20,471
Total amount proposed to be borrowed	-	-
Total amount projected to be redeemed	(700)	(738)
Total amount of borrowings as at 30 June	20,471	19,733

Strategy / Plan	Strategy / Plan Overview
Aboriginal and Torres Strait Islander Employment Strategy	Details the practical steps that can be taken to ensure positive outcomes for Aboriginal and Torres Strait Islander people seeking employment within Mildura Rural City Council and those already employed by Mildura Rural City Council across three key focus areas: Respect; Relationships; and Opportunities.
Advocacy Plan	Determines the focus of advocacy activities that are in alignment with the Community and Council Plan that will improve the social, economic or environmental wellbeing of the Mildura region.
Arts, Culture and Heritage Strategy	To enrich people's lives through arts and cultural experiences with a focus on four key areas of development: Culture, People, Places and the Organisation.
Asset Management Strategy	A strategy for the implementation and documentation of longer term asset management practices, plans, processes and procedures within Council.
Business Continuity and Disaster Recovery Strategy	Provides a holistic strategic approach to continuing the provision of Council services following a significant interruption or disaster.
Business Events and Conferencing Strategy	Defines Council's role in supporting and facilitating business events and conferences.
CCTV Strategy	Provides direction for the provision and operation of CCTV in public spaces throughout the municipality.
Community Engagement Strategy	Identifies key actions for the organisation to implement in order to build the foundations for adopting an organisational approach to engaging with the community.
Community Health and Wellbeing Plan	A statutory plan under the <i>Public Health and Wellbeing Act 2008</i> , sets the broad mission, goals and priorities to enable people living in the municipality to achieve maximum health and wellbeing.
Community Safety Plan	Outlines how Council and eleven partnering organisations will work together to address and improve perceptions of community safety within our community.
Customer Service Strategy	Provides strategic direction and agreed standards for the organisation to strive to provide excellent customer service for internal and external customers.
Deakin Avenue Master Plan	Guides the long term development and management of the avenue including garden beds, trees, monuments, sculptures, nature strips and landscape features.
Deakin Avenue Urban Design Guidelines	Set out a strategic vision for Deakin Avenue that will respond to the future changes and development along the Avenue.
Digital Community Strategy	This strategy developed through Mildura Regional Development (formerly under the auspice of Mildura Development Corporation) provides a framework to ensure the region holds the necessary digital infrastructure necessary for the rollout of the National Broadband Network.
Digital Strategy	This strategy will steer Council's direction with both the development and expanded provision of on line services to the community.
Domestic Animal Management Plan	A statutory plan under the <i>Domestic Animals Act 1994</i> that outlines the services, programs and policies Mildura Rural City has established to address the administration of the Act and the management of dog and cat issues in the community.
Energy Management Plan	Provides a framework for the collaborative management of energy consumption and sets targets for three key Council areas: buildings and facilities, street/public lighting and fleet.
Environmental Education Plan	Documents existing and proposed actions undertaken by Council to inform and educate the community about environmental issues.
Environmental Management Strategy for Stormwater	Provides a framework for integrated, cost effective, sustainable and practical actions associated with the environmental aspects of managing stormwater that meets the needs and expectations of the community.
Events Strategy	Defines Council's role in supporting and facilitating major and community events.

Strategy / Plan	Strategy / Plan Overview
Finance and Asset Accounting Strategy	A plan to continue to develop and refine Council's financial and accounting processes and practices which ensure we continue to deliver services to Council and the community which meet best value and best practice principles.
Health and Wellbeing Strategy	Establishes the strategic direction of health and wellbeing and articulates Council's commitment to, and focus on, health and wellbeing for all employees across 3 key areas: emotional and psychological wellbeing; physical wellbeing; and tobacco and alcohol.
Healthy Ageing Strategy	Provides strategic direction and service planning for future aged care services to ensure the appropriate support is available to meet the diverse needs of our ageing population.
Human Resources Strategy	Establishes the strategic direction of human resources and articulates Council's commitment to, and focus on, current human resources practices for all employees and the general public across six key areas: recruitment, selection and induction; training and development; performance management; HR systems and processes; work / life balance; and industrial relations.
Information Systems Strategy	A high level strategic plan for managing the organisation's information and technology systems and resources, identifying opportunities and actions to support customers. Focussing on records management, spatial systems, information and communications technologies, corporate applications, project management, systems analysis and innovation.
Integrated Marketing and Communications Strategy	A plan to effectively manage the Mildura Rural City Council brand and ensure Council messages are communicated effectively.
Invasive Plants and Animals Plan	A framework for the long-term strategic management of invasive species through the integration and establishment of partnerships with stakeholders and the community.
Landscape Plan	Establishes common and consistent requirements for sustainable and appropriate landscapes in public open space through the municipality.
Library Service Strategy	Guides Council's direction for the provision of library services.
Litter Strategy	Aims to minimise the incidence of litter and illegal dumping of rubbish in the municipality through a focus on education, enforcement and infrastructure for litter and illegal dumping mitigation.
Mildura Heritage Study	This study will identify items of potential cultural and built heritage within the Mildura and surrounding area.
Mildura Housing and Settlement Strategy	A strategic framework and associated guidelines regarding the rezoning and development of land to ensure that the types of neighbourhoods and housing developed within the municipality will meet current and future needs of the community.
Mildura Regional Development Strategic Plan	Provides a strategy on behalf of Mildura Rural City Council by the Mildura Regional Development for the growth and development of tourism and economic development within the municipality.
Mildura Retail Strategy	A strategy to guide the future location of retail development.
Mildura South Urban Design Plan	This plan outlines the growth and development of the Mildura South Growth Area.
Municipal Early Years Plan	Defines Council's role in service provision, advocacy, leadership, facility provision and community development for children in the early years.
Municipal Emergency Management Strategy	Guides the development and implementation of emergency management policy and program priorities, in particular the promotion of safer, and more secure and resilient communities. It is a tool for the effective integration of emergency management planning and programming across agencies and sectors.

Strategy / Plan	Strategy / Plan Overview
Occupational Health and Safety Strategy	Establishes the strategic direction of Occupational Health and Safety and articulates Council's commitment to, and focus on, current OH&S practices for all employees, contractors and the general public across eight key areas: Strategic Leadership of OH&S; Systems and Processes; Training; Prevention of Bullying and Harassment; Contractor Management; Emergency Management; OH&S Regulations; and Return to Work.
Organisational Development Strategy	Sets out the actions that will enable the organisation to achieve a high standard of operating excellence as measured against the Australian Business Excellence Framework.
Playground Strategy	To guide the provision of playground facilities and infrastructure in public open space.
Procurement Strategy (new)	Established to continue to develop and refine best practice procurement activities and processes so we are able to continue to deliver services to Council and the community that are keeping pace with the needs of Mildura Rural City Council.
Public Lighting Strategy (new)	A strategy to guide appropriate and consistent quality standards and service levels for public and street lighting.
Public Open Space Strategy	Defines Council's framework for the integrated approach to public open space provision.
Public Toilet Strategy	A strategy to guide the location, construction and quality standards of public toilet facilities in the municipality.
Rating Strategy	A strategy designed to ensure the appropriate raising of revenues from rateable properties while also ensuring State Government Differential Guidelines, the Tax Design Principles and the needs of Mildura Rural City Council and ratepayers are met.
Reconciliation Action Plan	Sets the strategic direction in achieving Council's reconciliation vision. The plan provides a comprehensive set of measurable actions and details a range of department and organisational commitments to work towards reconciliation.
Recreation Strategy	Defines Council's framework for the provision of recreation services.
Risk Management Strategy	Details strategy and program management concepts that will be used to ensure and improve upon the organisation's Risk Management program.
Road Management Plan	A statutory plan under the Road Management Act 2004 that sets out the maintenance regime for management of the municipal road network for Mildura Rural City Council. It establishes the management system to inspect, maintain and repair its public roads based on policy and operational objectives having regard to available resources.
Road Safety Strategic Plan	Sets the framework for a structured approach to road safety in both engineering and education programs across three key themes, safer roads and roadsides; safer vehicles; and safer users.
Social Inclusion Strategy	A framework for future action by Council to develop and support diversity and inclusion within our community.
Strategic Financial Plan	A plan which is designed to provide the financial framework for achieving the goals of the Council and Community Plan, and by extending the planning horizon to ten years, creates a financial and governance basis within which the city can ensure its long-term sustainability.
Sunraysia Drainage Strategy	A master plan outlining how urban development and the existing irrigation development will be serviced with surface and sub-surface drainage to the year 2050.
Urban Tree Strategy	A framework ensuring street trees are managed in accordance with industry best practice to provide improved quality and increased numbers of trees within the townships resulting in increased canopy cover.
Urban Weed Strategy	A framework and guidance on procedures for effective weed management by Council, in conjunction with other land managers and private landowners.
Vegetation Management Plan	A framework for the collaborative management of vegetation across Council managed land including parks, gardens, building grounds, Crown Land, natural areas, sporting reserves and roadsides.

Strategy / Plan	Strategy / Plan Overview
Visitor Information Strategy	Defines Council's framework for the provision of visitor information services.
Waste Resource and Recovery Plan	Identifies local waste service and infrastructure needs and sustainability into the future.
Youth Engagement Strategy	Guides Council's youth development and service provision.

## Financial Statements

The following seven statements provide information in relation to an aspect of Council's financial management.

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



## Comprehensive Income Statement

For the four years ending 30 June 2022

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	66,750	<b>69,700</b>	72,022	74,355	76,766
Statutory fees and fines	2,353	<b>2,466</b>	2,521	2,578	2,636
User fees	6,742	<b>6,413</b>	6,621	6,836	7,058
Grants - operating	33,078	<b>13,398</b>	21,470	21,953	22,447
Grants - capital	6,589	<b>3,651</b>	3,690	5,735	3,771
Contributions - monetary	1,793	<b>1,991</b>	1,506	1,522	1,538
Contributions - non-monetary	-	<b>1,847</b>	1,839	1,839	1,839
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	694	<b>(1,843)</b>	(1,884)	(1,926)	(1,970)
Other income	6,004	<b>5,812</b>	5,940	6,128	6,323
<b>Total income</b>	<b>124,003</b>	<b>103,435</b>	<b>113,725</b>	<b>119,020</b>	<b>120,408</b>
<b>Expenses</b>					
Employee costs	45,800	<b>47,678</b>	49,537	51,469	53,476
Materials and services	40,847	<b>35,137</b>	36,004	37,156	38,393
Depreciation and amortisation	19,663	<b>20,253</b>	20,858	21,484	22,128
Bad and doubtful debts	155	<b>149</b>	154	159	164
Borrowing costs	1,151	<b>1,117</b>	1,042	986	882
Other expenses	1,186	<b>1,201</b>	1,239	1,279	1,320
<b>Total expenses</b>	<b>108,802</b>	<b>105,535</b>	<b>108,834</b>	<b>112,533</b>	<b>116,363</b>
<b>Surplus/(deficit) for the year</b>	<b>15,201</b>	<b>(2,100)</b>	<b>4,891</b>	<b>6,487</b>	<b>4,045</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit in future periods</b>					
Net asset revaluation increment /(decrement)	5,000	<b>6,000</b>	6,000	6,000	6,000
Share of other comprehensive income of associates and joint ventures	8,882	<b>345</b>	356	366	374
<b>Total comprehensive result</b>	<b>29,083</b>	<b>4,245</b>	<b>11,247</b>	<b>12,853</b>	<b>10,419</b>

## Balance Sheet

For the four years ending 30 June 2022

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	38,773	<b>28,065</b>	28,470	28,719	26,901
Trade and other receivables	8,234	<b>8,591</b>	8,635	8,674	8,708
Other financial assets	2,782	<b>2,782</b>	2,782	2,782	2,782
Inventories	684	<b>706</b>	729	752	776
Other assets	316	<b>326</b>	336	347	358
<b>Total current assets</b>	<b>50,789</b>	<b>40,470</b>	<b>40,952</b>	<b>41,274</b>	<b>39,525</b>
<b>Non-current assets</b>					
Trade and other receivables	5,129	<b>4,809</b>	4,478	4,135	3,781
Other financial assets	1,750	<b>1,750</b>	1,750	1,750	1,750
Investments in subsidiaries	51,581	<b>51,926</b>	52,282	52,648	53,022
Property, infrastructure, plant and equipment	730,027	<b>744,913</b>	755,680	768,203	778,355
Intangible assets	6,065	<b>6,065</b>	6,065	6,065	6,065
<b>Total non-current assets</b>	<b>794,552</b>	<b>809,463</b>	<b>820,255</b>	<b>832,801</b>	<b>842,973</b>
<b>Total assets</b>	<b>845,341</b>	<b>849,933</b>	<b>861,207</b>	<b>874,075</b>	<b>882,498</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	2,809	<b>2,809</b>	2,809	2,809	2,809
Trust funds and deposits	1,673	<b>1,673</b>	1,673	1,673	1,673
Provisions	10,920	<b>11,346</b>	11,788	12,248	12,726
Interest-bearing liabilities	738	<b>1,100</b>	1,157	3,214	1,280
<b>Total current liabilities</b>	<b>16,140</b>	<b>16,928</b>	<b>17,427</b>	<b>19,944</b>	<b>18,488</b>
<b>Non-current liabilities</b>					
Provisions	16,906	<b>17,565</b>	18,250	18,962	19,702
Interest-bearing liabilities	19,733	<b>18,633</b>	17,476	14,262	12,982
<b>Total non-current liabilities</b>	<b>36,639</b>	<b>36,198</b>	<b>35,726</b>	<b>33,224</b>	<b>32,684</b>
<b>Total liabilities</b>	<b>52,779</b>	<b>53,126</b>	<b>53,153</b>	<b>53,168</b>	<b>51,172</b>
<b>Net assets</b>	<b>792,562</b>	<b>796,807</b>	<b>808,054</b>	<b>820,907</b>	<b>831,326</b>
<b>Equity</b>					
Accumulated surplus	317,447	<b>322,955</b>	327,581	333,906	337,783
Reserves	475,115	<b>473,852</b>	480,473	487,001	493,543
<b>Total equity</b>	<b>792,562</b>	<b>796,807</b>	<b>808,054</b>	<b>820,907</b>	<b>831,326</b>

## Statement of Changes in Equity

For the four years ending 30 June 2022

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2018 Forecast Actual</b>				
Balance at beginning of the financial year	763,479	311,583	409,459	42,437
Surplus/(deficit) for the year	24,083	15,201	-	8,882
Net asset revaluation increment/(decrement)	5,000	-	5,000	-
Transfers to other reserves	-	(19,766)	-	19,766
Transfers from other reserves	-	10,429	-	(10,429)
<b>Balance at end of the financial year</b>	<b>792,562</b>	<b>317,447</b>	<b>414,459</b>	<b>60,656</b>
<b>2019 Budget</b>				
Balance at beginning of the financial year	<b>792,562</b>	<b>317,447</b>	<b>414,459</b>	<b>60,656</b>
Surplus/(deficit) for the year	<b>(1,755)</b>	<b>(2,100)</b>	-	<b>345</b>
Net asset revaluation increment/(decrement)	<b>6,000</b>	-	<b>6,000</b>	-
Transfers to other reserves	-	<b>(3,567)</b>	-	<b>3,567</b>
Transfers from other reserves	-	<b>11,175</b>	-	<b>(11,175)</b>
<b>Balance at end of the financial year</b>	<b>796,807</b>	<b>322,955</b>	<b>420,459</b>	<b>53,393</b>
<b>2020</b>				
Balance at beginning of the financial year	796,807	322,955	420,459	53,393
Surplus/(deficit) for the year	5,247	4,891	-	356
Net asset revaluation increment/(decrement)	6,000	-	6,000	-
Transfers to other reserves	-	(1,827)	-	1,827
Transfers from other reserves	-	1,562	-	(1,562)
<b>Balance at end of the financial year</b>	<b>808,054</b>	<b>327,581</b>	<b>426,459</b>	<b>54,014</b>
<b>2021</b>				
Balance at beginning of the financial year	808,054	327,581	426,459	54,014
Surplus/(deficit) for the year	6,853	6,487	-	366
Net asset revaluation increment/(decrement)	6,000	-	6,000	-
Transfers to other reserves	-	(1,846)	-	1,846
Transfers from other reserves	-	1,684	-	(1,684)
<b>Balance at end of the financial year</b>	<b>820,907</b>	<b>333,906</b>	<b>432,459</b>	<b>54,542</b>
<b>2022</b>				
Balance at beginning of the financial year	820,907	333,906	432,459	54,542
Surplus/(deficit) for the year	4,419	4,045	-	374
Net asset revaluation increment/(decrement)	6,000	-	6,000	-
Transfers to other reserves	-	(1,866)	-	1,866
Transfers from other reserves	-	1,698	-	(1,698)
<b>Balance at end of the financial year</b>	<b>831,326</b>	<b>337,783</b>	<b>438,459</b>	<b>55,084</b>

## Statement of Cash Flows

For the four years ending 30 June 2022

	Forecast	Budget	Strategic Resource Plan		
	Actual 2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
Rates and charges	66,677	69,616	71,936	74,268	76,677
Statutory fees and fines	2,353	2,466	2,521	2,578	2,636
User fees	6,942	6,631	6,850	7,078	7,312
Grants - operating	34,352	14,448	22,544	23,051	23,569
Grants - capital	6,918	3,834	3,875	6,022	3,960
Contributions - monetary	1,793	1,991	1,506	1,522	1,538
Interest received	1,293	1,369	1,397	1,442	1,489
Trust funds and deposits taken	6,000	6,000	6,000	6,000	6,000
Other receipts	4,711	4,443	4,543	4,686	4,834
Net GST refund / payment	2,147	1,962	2,012	1,991	2,177
Employee costs	(45,350)	(47,211)	(49,052)	(50,964)	(52,951)
Materials and services	(49,367)	(38,066)	(38,996)	(40,240)	(41,575)
Trust funds and deposits repaid	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Other payments	(1,186)	(1,201)	(1,239)	(1,279)	(1,320)
<b>Net cash provided by/(used in) operating activities</b>	31,283	20,282	27,897	30,155	28,346
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	(34,955)	(29,740)	(26,289)	(28,727)	(27,058)
Proceeds from sale of property, infrastructure, plant and equipment	894	605	619	633	647
Repayments of loans and advances	-	-	320	331	343
<b>Net cash provided by/ (used in) investing activities</b>	(34,061)	(29,135)	(25,350)	(27,763)	(26,068)
<b>Cash flows from financing activities</b>					
Finance costs	(1,151)	(1,117)	(1,042)	(986)	(882)
Repayment of borrowings	(700)	(738)	(1,100)	(1,157)	(3,214)
<b>Net cash provided by/(used in) financing activities</b>	(1,851)	(1,855)	(2,142)	(2,143)	(4,096)
<b>Net increase/(decrease) in cash and cash equivalents</b>	(4,629)	(10,708)	405	249	(1,818)
Cash and cash equivalents at the beginning of the financial year	43,402	38,773	28,065	28,470	28,719
<b>Cash and cash equivalents at the end of the financial year</b>	38,773	28,065	28,470	28,719	26,901

## Statement of Capital Works

For the four years ending 30 June 2022

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>					
Land	2,443	-	500	500	500
<b>Total land</b>	2,443	-	500	500	500
Buildings	3,427	5,043	3,244	2,612	1,434
<b>Total buildings</b>	3,427	5,043	3,244	2,612	1,434
<b>Total property</b>	5,870	5,043	3,744	3,112	1,934
<b>Plant and equipment</b>					
Computers and telecommunications	1,307	892	981	1,079	1,187
Fixtures, fittings and furniture	484	117	129	142	156
Library books	533	383	421	463	510
Plant, machinery and equipment	3,798	3,369	2,489	2,738	3,012
<b>Total plant and equipment</b>	6,122	4,761	4,020	4,422	4,865
<b>Infrastructure</b>					
Roads	12,988	8,470	10,429	12,483	11,448
Bridges	227	368	55	61	67
Footpaths and cycleways	618	1,128	400	300	330
Drainage	4,115	5,244	3,594	3,953	4,349
Recreational, leisure and community facilities	780	170	187	206	226
Waste management	1,114	1,522	972	1,069	1,176
Parks, open space and streetscapes	2,772	2,567	2,374	2,556	2,042
Kerb and channel	-	100	110	121	133
Off street car parks	349	297	327	359	395
Other infrastructure	-	70	77	85	93
<b>Total infrastructure</b>	22,963	19,936	18,525	21,193	20,259
<b>Total capital works expenditure</b>	34,955	29,740	26,289	28,727	27,058
<b>Represented by:</b>					
New asset expenditure	7,809	5,177	2,487	3,138	2,350
Asset renewal expenditure	19,592	15,109	19,184	19,760	20,345
Asset expansion expenditure	1,428	2,489	1,776	2,242	1,678
Asset upgrade expenditure	6,126	6,965	2,842	3,587	2,685
<b>Total capital works expenditure</b>	34,955	29,740	26,289	28,727	27,058
<b>Funding sources represented by:</b>					
Grants	6,589	3,651	3,690	5,735	3,771
Contributions	1,412	825	1,124	1,131	1,138
Council cash	26,954	25,264	21,475	21,861	22,149
<b>Total capital works expenditure</b>	34,955	29,740	26,289	28,727	27,058

## Statement of Human Resources

For the four years ending 30 June 2022

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	45,800	<b>47,678</b>	49,537	51,469	53,476
Employee costs - capital	2,118	<b>2,161</b>	2,204	2,290	2,380
<b>Total staff expenditure</b>	<b>47,918</b>	<b>49,839</b>	<b>51,741</b>	<b>53,759</b>	<b>55,856</b>
	FTE	FTE	FTE	FTE	FTE
<b>Staff numbers</b>					
Employees	505.5	<b>509.3</b>	509.3	509.3	509.3
<b>Total staff numbers</b>	<b>505.5</b>	<b>509.3</b>	<b>509.3</b>	<b>509.3</b>	<b>509.3</b>

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

Department	Budget 2018/19 \$'000	Comprises	
		Permanent Full Time	Permanent Part Time
		\$'000	\$'000
Asset services	<b>4,406</b>	4,055	351
Executive services	<b>522</b>	522	-
Community care services	<b>8,591</b>	3,109	5,482
Community futures	<b>3,655</b>	2,950	705
Community general manager	<b>662</b>	504	158
Corporate administration	<b>3,061</b>	2,951	110
Corporate general manager	<b>362</b>	362	-
Development general manager	<b>355</b>	355	-
Development services	<b>3,742</b>	3,218	524
Financial services	<b>2,621</b>	2,384	237
Information systems	<b>1,741</b>	1,511	230
Leisure and cultural services	<b>5,635</b>	4,557	1,078
Organisational development	<b>1,691</b>	1,320	371
Parks and waste services	<b>5,715</b>	5,445	270
Works and infrastructure services	<b>4,678</b>	4,678	-
<b>Total permanent staff expenditure</b>	<b>47,437</b>	<b>37,921</b>	<b>9,516</b>
Casuals, temporary and other expenditure	<b>241</b>		
Capitalised labour costs	<b>2,161</b>		
<b>Total expenditure</b>	<b>49,839</b>		

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

Department	Budget	Comprises	
	2018/19 FTE	Permanent Full Time	Permanent Part Time
Asset services	41.9	38.6	3.3
Executive services	3.0	3.0	-
Community care services	102.3	37.0	65.3
Community futures	33.5	27.0	6.5
Community general manager	3.9	3.0	0.9
Corporate administration	31.0	29.9	1.1
Corporate general manager	2.0	2.0	-
Development general manager	2.0	2.0	-
Development services	40.6	34.9	5.7
Information systems	15.0	13.0	2.0
Financial services	25.3	23.0	2.3
Leisure and cultural services	54.4	44.0	10.4
Organisational development	12.8	10.0	2.8
Parks and waste services	66.1	63.0	3.1
Works and infrastructure services	50.3	50.3	-
<b>Total permanent staff FTE</b>	<b>484.1</b>	<b>380.7</b>	<b>103.4</b>
Casuals, temporary and other expenditure	2.6		
Capitalised labour costs	22.6		
<b>Total staff FTE</b>	<b>509.3</b>		

Please note that Council has a total head count of 707 staff members budgeted for the 2018/19 year. This consists of 400 full time, 243 part time and 64 casual staff members.

## Budgeted Operating Income Statement

For the four years ending 30 June 2022

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	66,750	<b>69,700</b>	72,022	74,355	76,766
Statutory fees and fines	2,353	<b>2,466</b>	2,521	2,578	2,636
User fees	6,742	<b>6,413</b>	6,621	6,836	7,058
Grants - operating	33,078	<b>13,398</b>	21,470	21,953	22,447
Contributions - monetary	381	<b>374</b>	382	391	400
Other income	6,004	<b>5,812</b>	5,940	6,128	6,323
<b>Total income</b>	<b>115,308</b>	<b>98,163</b>	<b>108,956</b>	<b>112,241</b>	<b>115,630</b>
<b>Expenses</b>					
Employee costs	45,800	<b>47,678</b>	49,537	51,469	53,476
Materials and services	40,847	<b>35,137</b>	36,004	37,156	38,393
Bad and doubtful debts	155	<b>149</b>	154	159	164
Depreciation and amortisation	19,663	<b>20,253</b>	20,858	21,484	22,128
Borrowing costs	1,151	<b>1,117</b>	1,042	986	882
Other expenses	1,186	<b>1,201</b>	1,239	1,279	1,320
<b>Total expenses</b>	<b>108,802</b>	<b>105,535</b>	<b>108,834</b>	<b>112,533</b>	<b>116,363</b>
<b>Surplus/(deficit) from operations</b>	<b>6,506</b>	<b>(7,372)</b>	<b>122</b>	<b>(292)</b>	<b>(733)</b>
<b>Capital funding</b>					
Grants - capital	6,589	<b>3,651</b>	3,690	5,735	3,771
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	694	<b>(1,843)</b>	(1,884)	(1,926)	(1,970)
Contributions - monetary (capital)	1,412	<b>1,617</b>	1,124	1,131	1,138
Contributions - non-monetary (capital)	-	<b>1,847</b>	1,839	1,839	1,839
<b>Total surplus/(deficit)</b>	<b>15,201</b>	<b>(2,100)</b>	<b>4,891</b>	<b>6,487</b>	<b>4,045</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit in future periods:</b>					
Net asset revaluation increment/(decrement)	5,000	<b>6,000</b>	6,000	6,000	6,000
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	8,882	<b>345</b>	356	366	374
<b>Total comprehensive result</b>	<b>29,083</b>	<b>4,245</b>	<b>11,247</b>	<b>12,853</b>	<b>10,419</b>