

# Strategic Resource Plan

*2020-21 to 2023-24*



Mildura Rural City Council

## Acknowledgment of Country

Council acknowledges the traditional custodians of the land comprising the Mildura Rural City Council area, and those of our neighbouring municipalities. We pay our respects to Elders past and present, and celebrate and respect their continuing culture and connection to the land.

## 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 *Local Government 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 2020-21 to 2023-24 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.

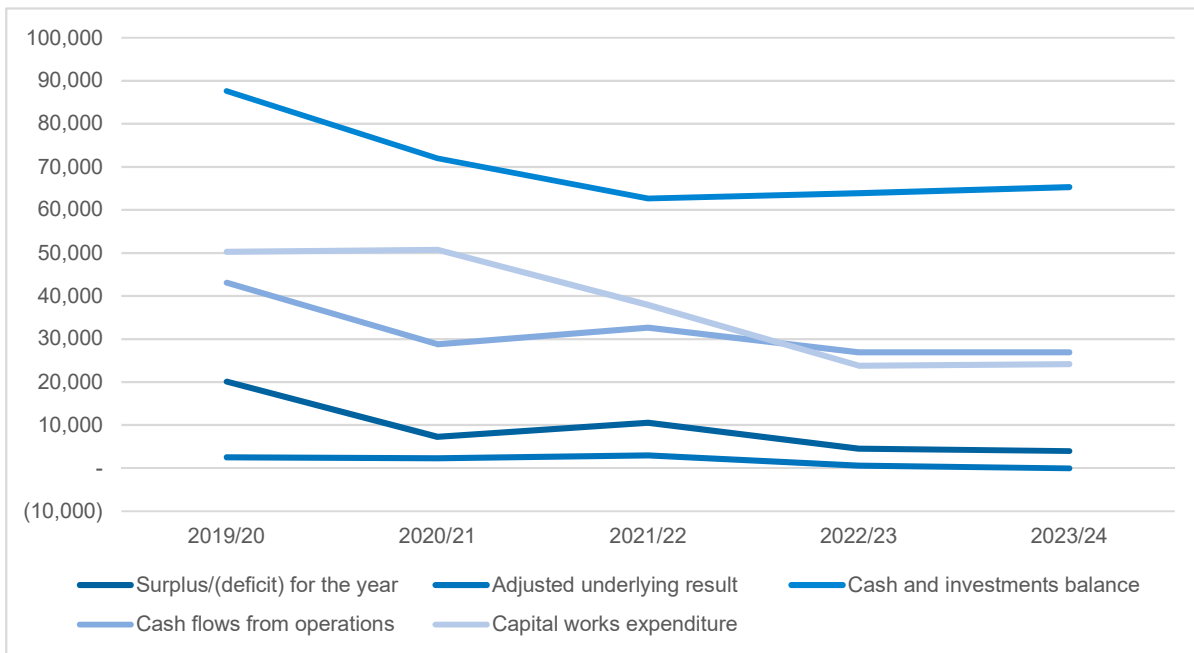
The following provides a summary of the key strategies identified in Council's SFP.

Financial area	Strategy
Rates	Rates will be capped at 2.00% in line with the Minister for Local Government Fair Go Rates System (FGRS). 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.
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  Year	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2019/20	2020/21	2021/22	2022/23	2023/24	+/-
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	20,096	<b>7,301</b>	10,572	4,493	3,967	-
Adjusted underlying result	2,531	<b>2,270</b>	2,981	545	(49)	-
Cash and investments balance	87,628	<b>71,977</b>	62,672	63,910	65,315	+
Cash flows from operations	43,081	<b>28,789</b>	32,624	26,954	26,903	-
Capital works expenditure	50,242	<b>50,739</b>	37,958	23,816	24,148	-

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
			2018/19	2019/20	2020/21	2021/22	2022/23	2022/24	+/-
<b>Operating position</b>									
Adjusted underlying result	Adjusted underlying surplus (deficit) / adjusted underlying revenue	1	6.61%	2.20%	1.89%	2.49%	0.45%	(0.04%)	-
<b>Liquidity</b>									
Working capital	Current assets / current liabilities	2	507.85%	576.41%	466.84%	359.86%	395.13%	402.86%	+
Unrestricted cash	Unrestricted cash / current liabilities	3	392.97%	362.40%	347.12%	254.15%	277.58%	283.41%	+
<b>Obligations</b>									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	28.34%	25.70%	33.13%	27.48%	24.63%	22.46%	-
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		2.62%	2.95%	3.46%	6.26%	3.57%	2.85%	-
Indebtedness	Non-current liabilities / own source revenue		51.98%	51.92%	57.75%	50.88%	50.88%	49.85%	-
Asset renewal	Asset renewal expenses / asset depreciation	5	73.92%	109.65%	97.59%	91.11%	91.11%	91.11%	o
<b>Stability</b>									
Rates concentration	Rate revenue / adjusted underlying revenue	6	60.42%	62.93%	63.41%	65.70%	66.57%	66.69%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.76%	0.74%	0.73%	0.74%	0.76%	0.77%	o
<b>Efficiency</b>									
Expenditure level	Total expenses/ no. of property assessments		\$3,667.96	\$3,842.08	\$3,982.08	\$3,970.29	\$4,038.91	\$4,118.66	+
Revenue level	Residential rate revenue / no. of residential property assessments		\$1,914.97	\$2,003.98	\$2,067.71	\$2,112.46	\$2,158.18	\$2,204.83	+
Workforce turnover	No. of permanent staff resignations and terminations / average no. of permanent staff for the financial year		22.86%	8.28%	8.15%	8.15%	8.15%	8.15%	o

### Key to Forecast Trend:

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

## Notes to indicators

### 1. Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. The 2020-21 year shows a deficit of \$0.02 million. Victorian Councils rates have been capped at the average Victorian CPI of 2.00% for the 2020-21 year.

### 2. Working capital

The proportion of current liabilities represented by current assets. Working capital is forecast to decrease in 2020-21 year due to completion of Council's 2020-21 Capital Works Program including completion of Mildura South Regional Sporting Precinct. It will further decrease in 2021-22 and then remain steady in further years at an acceptable level.

### 3. Unrestricted cash

Unrestricted cash represent Council's cash free of external restrictions.

### 4. Debt compared to rates

The proportion of debt to rates will increase in 2020-21 due to new borrowings of \$8.00 million. From 2021-22 onwards Council will continue our normal trend of 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 2020-21 year is shown below. A Statement of Human Resources is included in our financial statements.

### Human Resources

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	48,786	<b>50,581</b>	52,318	54,114	55,972
Employee costs - capital	1,903	<b>3,316</b>	1,980	2,019	2,059
<b>Total staff expenditure</b>	<b>50,689</b>	<b>53,897</b>	54,298	56,133	58,031
	FTE	FTE	FTE	FTE	FTE
<b>Staff numbers</b>					
Employees	522.9	<b>522.9</b>	522.9	522.9	522.9
<b>Total staff numbers</b>	<b>522.9</b>	<b>522.9</b>	522.9	522.9	522.9

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. This is highlighted through our strategic objectives 'Infrastructure Assets and Facilities and Financial Sustainability', 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 522.9 full time equivalent staff (FTE), 490.6 permanent and 1.3 casual staff employed to deliver the Community and Council Plan. In addition Council has 31 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, but they form part of Council's \$50.74 million capital works program.



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

Department	Budget	Comprises		Casual
	2020/21 FTE	Permanent Full Time	Permanent Part Time	
Asset Services	26.4	24.0	2.4	0
Executive Services	3.0	3.0	-	0
Community Care Services	99.0	35.0	63.3	0.7
Community Futures	38.9	25.0	13.6	0.3
Community General Manager	4.5	4.0	0.5	0
Corporate Administration	31.8	29.0	2.7	0.1
Corporate General Manager	2.0	2.0	-	0
Development General Manager	2.0	2.0	-	0
Development Services	47.2	35.0	12.0	0.2
Information Systems	22.6	22.0	0.6	0
Financial Services	15.7	13.0	2.7	0
Leisure and Cultural Services	52.1	40.0	12.1	0
Organisational Development	12.8	10.0	2.8	0
Parks and Waste Services	71.9	67.3	4.6	0
Works and Engineering Services	62.0	62.0	-	0
<b>Total permanent staff FTE</b>	<b>491.9</b>	<b>373.3</b>	<b>117.3</b>	<b>1.3</b>
Capitalised labour costs	31.0			
<b>Total staff FTE</b>	<b>522.9</b>			

Please note that Council has a total head count of 664 staff members budgeted for the 2020-21 year (655 staff 2019-20). This consists of 406 full time, 214 part time and 44 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. Resourcing ratios are therefore higher because services need to be provided and accessible to all within in municipality, 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 needs to be recouped to ensure kerbside recycling services are sustained.

For this SRP a major initiative has been introduced with a kerbside Food Organics and Garden Organics (FOGO) service. A FOGO service involves the kerbside collection of food and garden organic material which will ultimately be sent to a processing facility to produce a compost product.

In 2020 the World Health Organisation declared a pandemic due to Coronavirus disease (COVID-19). As such in the first year of the SRP 2020-21 Council has allocated \$1.50 million to a community recovery fund. This is to help with the recovery of the unprecedented effects of the COVID-19 pandemic.

### Environmental sustainability

We acknowledge that we are in a state of climate emergency and 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 and energy, reducing greenhouse emissions and supporting initiatives that establish our municipality as a sustainable community. 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

Council has an obligation to plan for and provide sustainable services to the local community, as well as to provide and maintain functional infrastructure assets to support these services.

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

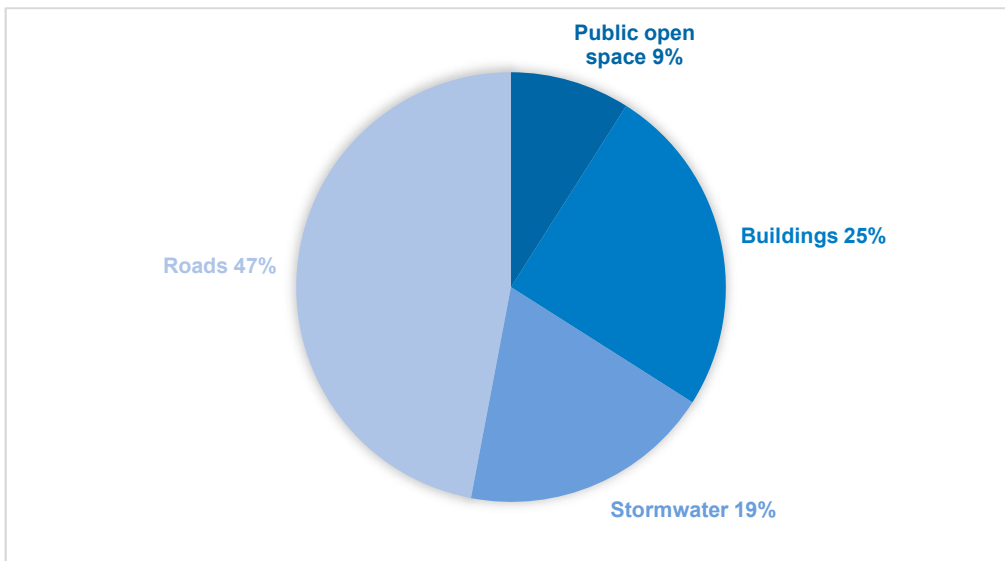
- Local roads and associated infrastructure (footpaths, kerb and channel, bridges and carparks)
- Stormwater infrastructure including pipes, pits and stormwater management areas
- Buildings and structures servicing arts, culture and heritage; children and family services, community and municipal services, and sports and recreation.
- Public Open Space including sports reserves, bushland reserves, parks and gardens

As custodians of the municipality's physical assets, our goal is to manage infrastructure in a sustainable manner through best practice asset management and an integrated planning approach.

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 \$839.18 million at the end of 2019/20 and will increase to \$968.86 million by the end of 2023/24.

The distribution of value of the major infrastructure asset classes are as follows:



In the next financial year we have allocated \$50.74 million to capital works with a total investment over the term of the plan of \$136.66 million.

## 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 2019-20 year, after making loan repayments of \$1.10 million, total borrowings will be \$18.64 million as at 30 June 2020. Council has forecast to borrow \$8.00 million in 2020-21 to help fund the Mildura South Regional Sporting Precinct. Total borrowings will be \$25.27 million as at 30 June 2021. No further borrowings are forecast over the life of the plan at this stage.

Year	New Borrowings	Principal Paid	Interest Paid	Balance 30 June
	\$'000	\$'000	\$'000	\$'000
2019/20	-	1,100	1,042	18,635
2020/21	8,000	1,364	1,273	25,271
2021/22	-	3,639	1,292	21,632
2022/23	-	1,719	1,164	19,913
2023/24	-	1,275	1,092	18,638

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

	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000
Total amount borrowed as at 30 June of the prior year	19,735	18,635	25,271
Total amount proposed to be borrowed	-	8,000	-
Total amount projected to be redeemed	(1,100)	(1,364)	(3,639)
Total amount of borrowings as at 30 June	18,635	25,271	21,632

Strategy / Plan	Strategy / Plan Overview
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.
CCTV Governance Framework	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 Experience 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.
Events Strategy	Defines Council's role in supporting and facilitating major and community events and in facilitating business events and conferences.
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.
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.

Strategy / Plan	Strategy / Plan Overview
Inclusion Strategy	A framework for future action by Council to develop and support diversity and inclusion within our community.
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 CBD Plan	Sets out a strategic vision and framework to guide the growth, development and enhancement of the CBD to 2035.
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.
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	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	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.

Strategy / Plan	Strategy / Plan Overview
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.
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.
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.
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

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the year 2020-21 has been supplemented with projection to 2023-24 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  
Budgeted Operating Income Statement

### **Pending Accounting Standards**

The 2020-21 budget has been prepared based on the accounting standards applicable at the date of preparation. It has been updated to include the impact of *AASB 16 Leases*, *AASB 15 Revenue from Contracts with Customers* and *AASB 1058 Income of Not-for-Profit Entities*, but pending accounting standards that will be in effect from the 2020-21 financial year have not been considered in the development of the budget.

Standards that are likely to impact on the 2020-21 financial statements, not considered in the preparation of the budget include:

*AASB 1059 Service Concession Arrangements: Grantors*



## Comprehensive Income Statement

For the four years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	73,123	<b>76,878</b>	79,330	81,445	83,611
Statutory fees and fines	2,573	<b>2,271</b>	2,316	2,362	2,409
User fees	6,499	<b>7,123</b>	7,265	7,410	7,558
Grants - operating	24,142	<b>24,161</b>	22,765	23,334	23,917
Grants - capital	17,553	<b>5,691</b>	9,012	3,164	3,189
Contributions - monetary	1,353	<b>1,892</b>	1,278	1,287	1,296
Contributions - non-monetary	1,839	<b>1,839</b>	1,894	1,932	1,971
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(1,820)	<b>(1,843)</b>	(1,880)	(1,918)	(1,956)
Other income	5,710	<b>5,455</b>	5,547	5,658	5,771
<b>Total income</b>	<b>130,972</b>	<b>123,467</b>	<b>127,527</b>	<b>124,674</b>	<b>127,766</b>
<b>Expenses</b>					
Employee costs	48,786	<b>50,581</b>	52,318	54,114	55,972
Materials and services	38,852	<b>43,760</b>	42,284	43,320	44,618
Depreciation	20,311	<b>18,711</b>	19,179	19,657	20,147
Amortisation - intangible assets	242	<b>230</b>	236	242	248
Bad and doubtful debts	149	<b>133</b>	136	139	142
Borrowing costs	1,042	<b>1,273</b>	1,292	1,164	1,092
Other expenses	1,494	<b>1,478</b>	1,511	1,545	1,580
<b>Total expenses</b>	<b>110,876</b>	<b>116,166</b>	<b>116,956</b>	<b>120,181</b>	<b>123,799</b>
<b>Surplus/(deficit) for the year</b>	<b>20,096</b>	<b>7,301</b>	<b>10,571</b>	<b>4,493</b>	<b>3,967</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)	18,534	<b>18,534</b>	18,534	18,534	18,534
Share of other comprehensive income of associates and joint ventures	364	<b>1,393</b>	627	641	655
<b>Total comprehensive result</b>	<b>38,994</b>	<b>27,228</b>	<b>29,732</b>	<b>23,668</b>	<b>23,156</b>



## Balance Sheet

For the four years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	85,878	70,227	60,922	62,160	63,565
Trade and other receivables	7,208	7,268	7,282	7,294	7,302
Other financial assets	2,850	2,850	2,850	2,850	2,850
Inventories	588	601	615	629	643
Other assets	1,593	1,629	1,666	1,703	1,741
<b>Total current assets</b>	<b>98,117</b>	<b>82,575</b>	<b>73,335</b>	<b>74,636</b>	<b>76,101</b>
<b>Non-current assets</b>					
Trade and other receivables	4,157	3,814	3,460	3,094	2,716
Other financial assets	1,750	1,750	1,750	1,750	1,750
Investments in associates, joint arrangement and subsidiaries	52,787	54,180	54,807	55,447	56,103
Property, infrastructure, plant and equipment	839,179	888,902	925,376	947,212	968,863
Intangible assets	10,761	10,761	10,761	10,761	10,761
<b>Total non-current assets</b>	<b>908,634</b>	<b>959,407</b>	<b>996,154</b>	<b>1,018,264</b>	<b>1,040,193</b>
<b>Total assets</b>	<b>1,006,751</b>	<b>1,041,982</b>	<b>1,069,489</b>	<b>1,092,900</b>	<b>1,116,294</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	1,983	1,983	1,983	1,983	1,983
Trust funds and deposits	2,231	2,231	2,231	2,231	2,231
Provisions	11,708	12,110	12,526	12,956	13,401
Interest-bearing liabilities	1,100	1,364	3,639	1,719	1,275
<b>Total current liabilities</b>	<b>17,022</b>	<b>17,688</b>	<b>20,379</b>	<b>18,889</b>	<b>18,890</b>
<b>Non-current liabilities</b>					
Provisions	28,104	29,069	30,067	31,100	32,167
Interest-bearing liabilities	17,535	23,907	17,993	18,194	17,363
<b>Total non-current liabilities</b>	<b>45,639</b>	<b>52,976</b>	<b>48,060</b>	<b>49,294</b>	<b>49,530</b>
<b>Total liabilities</b>	<b>62,661</b>	<b>70,664</b>	<b>68,439</b>	<b>68,183</b>	<b>68,420</b>
<b>Net assets</b>	<b>944,090</b>	<b>971,318</b>	<b>1,001,050</b>	<b>1,024,717</b>	<b>1,047,874</b>
<b>Equity</b>					
Accumulated surplus	370,777	374,343	394,465	394,266	396,530
Reserves	573,313	596,975	609,585	630,451	651,344
<b>Total equity</b>	<b>944,090</b>	<b>971,318</b>	<b>1,004,050</b>	<b>1,024,717</b>	<b>1,047,874</b>

## Statement of Changes in Equity

For the four years ending 30 June 2024

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2020 Forecast Actual</b>				
Balance at beginning of the financial year	905,096	340,627	490,721	73,748
Surplus/(deficit) for the year	20,460	20,096	-	364
Net asset revaluation increment/(decrement)	18,534	-	18,534	-
Transfers to other reserves	-	(8,551)	-	8,551
Transfers from other reserves	-	18,605	-	(18,605)
<b>Balance at end of the financial year</b>	<b>944,090</b>	<b>370,777</b>	<b>509,255</b>	<b>64,058</b>
<b>2021 Budget</b>				
Balance at beginning of the financial year	944,090	370,777	509,255	64,058
Surplus/(deficit) for the year	8,694	7,301	-	1,393
Net asset revaluation increment/(decrement)	18,534	-	18,534	-
Transfers to other reserves	-	(7,997)	-	7,997
Transfers from other reserves	-	4,262	-	(4,262)
<b>Balance at end of the financial year</b>	<b>971,318</b>	<b>374,343</b>	<b>527,789</b>	<b>69,186</b>
<b>2022</b>				
Balance at beginning of the financial year	971,318	374,343	527,789	69,186
Surplus/(deficit) for the year	11,198	10,571	-	627
Net asset revaluation increment/(decrement)	18,534	-	18,534	-
Transfers to other reserves	-	(7,326)	-	7,326
Transfers from other reserves	-	13,876	-	(13,876)
<b>Balance at end of the financial year</b>	<b>1,001,050</b>	<b>391,464</b>	<b>546,323</b>	<b>63,263</b>
<b>2023</b>				
Balance at beginning of the financial year	1,001,050	391,464	546,323	63,263
Surplus/(deficit) for the year	5,134	4,493	-	641
Net asset revaluation increment/(decrement)	18,534	-	18,534	-
Transfers to other reserves	-	(6,859)	-	6,859
Transfers from other reserves	-	5,168	-	(5,168)
<b>Balance at end of the financial year</b>	<b>1,024,718</b>	<b>394,266</b>	<b>564,857</b>	<b>65,595</b>
<b>2024</b>				
Balance at beginning of the financial year	1,024,718	394,266	564,857	65,595
Surplus/(deficit) for the year	4,622	3,967	-	655
Net asset revaluation increment/(decrement)	18,534	-	18,534	-
Transfers to other reserves	-	(6,859)	-	6,859
Transfers from other reserves	-	5,156	-	(5,156)
<b>Balance at end of the financial year</b>	<b>1,047,874</b>	<b>396,530</b>	<b>583,391</b>	<b>67,953</b>

## Statement of Cash Flows

For the four years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan		
	Actual 2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	Projections 2022/23 \$'000	2023/24 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
Rates and charges	73,059	<b>76,813</b>	79,263	81,377	83,542
Statutory fees and fines	2,573	<b>2,271</b>	2,316	2,362	2,409
User fees	6,706	<b>7,363</b>	7,556	7,709	7,866
Grants - operating	25,349	<b>25,369</b>	23,903	24,501	25,113
Grants - capital	18,431	<b>5,976</b>	9,463	3,322	3,348
Contributions - monetary	1,362	<b>1,892</b>	1,278	1,287	1,296
Interest received	1,610	<b>1,521</b>	1,535	1,566	1,597
Trust funds and deposits taken	6,000	<b>6,000</b>	6,000	6,000	6,000
Other receipts	4,091	<b>3,934</b>	4,012	4,092	4,174
Net GST refund / payment	1,480	<b>2,531</b>	2,280	2,641	2,734
Employee costs	(48,300)	<b>(50,136)</b>	(51,858)	(53,638)	(55,480)
Materials and services	(41,786)	<b>(47,267)</b>	(45,613)	(46,720)	(48,116)
Trust funds and deposits repaid	(6,000)	<b>(6,000)</b>	(6,000)	(6,000)	(6,000)
Other payments	(1,494)	<b>(1,478)</b>	(1,511)	(1,545)	(1,580)
<b>Net cash provided by/(used in) operating activities</b>	43,081	<b>28,789</b>	32,624	26,954	26,903
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	(28,402)	<b>(50,739)</b>	(37,958)	(23,816)	(24,139)
Proceeds from sale of property, infrastructure, plant and equipment	628	<b>605</b>	617	629	642
Repayments of loans and advances	320	<b>331</b>	343	354	366
<b>Net cash provided by/ (used in) investing activities</b>	(27,454)	<b>(49,803)</b>	(36,998)	(22,833)	(23,131)
<b>Cash flows from financing activities</b>					
Finance costs	(1,042)	<b>(1,273)</b>	(1,292)	(1,164)	(1,092)
Proceeds from borrowings	-	<b>8,000</b>	-	-	-
Repayment of borrowings	(1,100)	<b>(1,364)</b>	(3,639)	(1,719)	(1,275)
<b>Net cash provided by/(used in) financing activities</b>	(2,142)	<b>5,363</b>	(4,931)	(2,883)	(2,367)
<b>Net increase/(decrease) in cash and cash equivalents</b>	13,485	<b>(15,651)</b>	(9,305)	1,238	1,405
Cash and cash equivalents at the beginning of the financial year	72,393	<b>85,878</b>	70,227	60,922	62,160
<b>Cash and cash equivalents at the end of the financial year</b>	85,878	<b>70,227</b>	60,922	62,160	63,565

## Statement of Capital Works

For the four years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>					
Land	1,190	509	1,500	500	500
<b>Total land</b>	1,190	509	1,500	500	500
Buildings	13,064	24,324	3,500	1,800	1,854
<b>Total buildings</b>	13,064	24,324	3,500	1,800	1,854
<b>Total property</b>	14,254	24,833	5,000	2,300	2,354
<b>Plant and equipment</b>					
Computers and telecommunications	888	354	1,059	1,090	1,123
Fixtures, fittings and furniture	42	45	46	48	50
Library books	493	350	360	371	382
Plant, machinery and equipment	4,533	2,481	3,000	2,600	2,678
<b>Total plant and equipment</b>	5,956	3,230	4,465	4,109	4,233
<b>Infrastructure</b>					
Roads	19,901	13,253	14,800	10,793	11,090
Bridges	444	-	100	12	12
Footpaths and cycle ways	1,203	150	155	160	165
Drainage	4,229	5,981	4,500	3,200	3,500
Recreational, leisure and community facilities	406	1,351	1,500	562	579
Waste management	1,852	650	1,000	1,365	500
Parks, open space and streetscapes	1,802	1,163	5,824	1,100	1,500
Kerb and channel	178	111	114	115	115
Off street car parks	17	17	500	100	100
<b>Total infrastructure</b>	30,032	22,676	28,493	17,407	17,561
<b>Total capital works expenditure</b>	50,242	50,739	37,958	23,816	24,148
<b>Represented by:</b>					
New asset expenditure	16,628	27,588	7,169	2,067	2,027
Asset renewal expenditure	22,272	18,260	17,474	17,909	18,356
Asset expansion expenditure	3,299	212	5,121	1,477	1,448
Asset upgrade expenditure	8,043	4,679	8,194	2,363	2,317
<b>Total capital works expenditure</b>	50,242	50,739	37,958	23,816	24,148
<b>Funding sources represented by:</b>					
Grants	9,697	17,102	9,012	3,164	3,189
Contributions	91	870	1,012	1,016	1,020
Council cash	40,454	24,767	27,934	19,636	19,939
Borrowings	-	8,000	-	-	-
<b>Total capital works expenditure</b>	50,242	50,739	37,958	23,816	24,148

## Statement of Human Resources

For the four years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	48,786	<b>50,581</b>	52,318	54,114	55,972
Employee costs - capital	1,903	<b>3,316</b>	1,980	2,019	2,059
<b>Total staff expenditure</b>	<b>50,689</b>	<b>53,897</b>	<b>54,298</b>	<b>56,133</b>	<b>58,031</b>
	FTE	FTE	FTE	FTE	FTE
<b>Staff numbers</b>					
Employees	522.9	<b>522.9</b>	522.9	522.9	522.9
Total staff numbers	522.9	<b>522.9</b>	522.9	522.9	522.9

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

Department	Comprises			
	Budget	Permanent	Permanent	Casual
	2020/21	Full Time	Part Time	
	\$'000	\$'000	\$'000	\$'000
Asset Services	2,620	2,368	252	-
Executive Services	536	536	-	-
Community Care Services	8,589	3,038	5,495	56
Community Futures	4,366	2,811	1,525	30
Community General Manager	533	477	56	-
Corporate Administration	3,750	3,421	315	14
Corporate General Manager	378	378	-	-
Development General Manager	368	368	-	-
Development Services	4,339	3,215	1,106	18
Financial Services	2,868	2,788	80	-
Information Systems	1,809	1,501	308	-
Leisure and Cultural Services	5,078	3,894	1,180	4
Organisational Development	1,877	1,471	405	1
Parks and Waste Services	6,534	6,120	414	-
Works and Engineering Services	6,936	6,936	-	-
<b>Total permanent staff expenditure</b>	<b>50,581</b>	<b>39,322</b>	<b>11,136</b>	<b>123</b>
Capitalised labour costs	3,316			
<b>Total expenditure</b>	<b>53,897</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		Casual
	2020/21 FTE	Permanent Full Time	Permanent Part Time	
Asset Services	26.4	24.0	2.4	-
Executive Services	3.0	3.0	-	-
Community Care Services	99.0	35.0	63.3	0.7
Community Futures	38.9	25.0	13.6	0.3
Community General Manager	4.5	4.0	0.5	-
Corporate Administration	31.8	29.0	2.7	0.1
Corporate General Manager	2.0	2.0	-	-
Development General Manager	2.0	2.0	-	-
Development Services	47.2	35.0	12.0	0.2
Financial Services	22.6	22.0	0.6	-
Information Systems	15.7	13.0	2.7	-
Leisure and Cultural Services	52.1	40.0	12.1	-
Organisational Development	12.8	10.0	2.8	-
Parks and Waste Services	71.9	67.3	4.6	-
Works and Engineering Services	62.0	62.0	-	-
<b>Total permanent staff FTE</b>	<b>491.9</b>	<b>373.3</b>	<b>117.3</b>	<b>1.3</b>
Capitalised labour costs	31.0			
<b>Total staff FTE</b>	<b>522.9</b>			

Please note that Council has a total head count of 664 staff members budgeted for the 2020-21 year (655 staff 2019-20). This consists of 406 full time, 214 part time and 44 casual staff members.

## Budgeted Operating Income Statement

For the four years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	73,123	<b>76,878</b>	79,330	81,445	83,611
Statutory fees and fines	2,573	<b>2,271</b>	2,316	2,362	2,409
User fees	6,499	<b>7,123</b>	7,265	7,410	7,558
Grants - operating	24,142	<b>24,161</b>	22,765	23,334	23,917
Contributions - monetary	484	<b>261</b>	266	271	276
Other income	5,701	<b>5,455</b>	5,547	5,658	5,771
<b>Total income</b>	<b>112,522</b>	<b>116,149</b>	<b>117,489</b>	<b>120,480</b>	<b>123,542</b>
<b>Expenses</b>					
Employee costs	48,786	<b>50,581</b>	52,318	54,114	55,972
Materials and services	38,852	<b>43,760</b>	42,284	43,320	44,618
Bad and doubtful debts	149	<b>133</b>	136	139	142
Depreciation	20,553	<b>18,941</b>	19,415	19,899	20,395
Borrowing costs	1,042	<b>1,273</b>	1,292	1,164	1,092
Other expenses	1,494	<b>1,478</b>	1,511	1,545	1,580
<b>Total expenses</b>	<b>110,876</b>	<b>116,166</b>	<b>116,956</b>	<b>120,181</b>	<b>123,799</b>
<b>Surplus/(deficit) from operations</b>	<b>1,646</b>	<b>(17)</b>	<b>533</b>	<b>299</b>	<b>(257)</b>
<b>Capital funding</b>					
Grants - capital	17,553	<b>5,691</b>	9,012	3,164	3,189
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(1,820)	<b>(1,843)</b>	(1,880)	(1,918)	(1,956)
Contributions - monetary (capital)	878	<b>1,631</b>	1,012	1,016	1,020
Contributions - non-monetary (capital)	1,839	<b>1,839</b>	1,895	1,932	1,971
<b>Total surplus/(deficit)</b>	<b>20,096</b>	<b>7,301</b>	<b>10,572</b>	<b>4,493</b>	<b>3,967</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)	18,534	<b>18,534</b>	18,534	18,534	18,534
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	364	<b>1,393</b>	627	641	655
<b>Total comprehensive result</b>	<b>38,994</b>	<b>27,228</b>	<b>29,733</b>	<b>23,667</b>	<b>23,156</b>