

Budget

2022-23



Mildura Rural City Council

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Disclaimer

The Local Government Model Budget is published each year to assist councils in preparing budgets in accordance with Australian Accounting Standards.

The 2022-23 Model Budget template and Better Practice Guide can be accessed on Local Government Victoria's website: <https://www.localgovernment.vic.gov.au/strengthening-councils/sector-guidance-planning-and-reporting>

Acknowledgement of Country

Mildura Rural City Council acknowledges the Traditional Custodians of the land, which now comprises the Mildura Rural City municipality. We pay our respects to Elders past and present and celebrate and respect their continuing cultures and acknowledge the memories of their ancestors.

Mayor Introduction

On behalf of my fellow Councillors, I'm pleased to present Mildura Rural City Council's 2022-23 Budget.

Our Budget is one of our organisation's most important documents in detailing how we will fund and resource the delivery of more than 100 essential services, facilities and infrastructure to residents across our vast region.

It will also support the broader aims of our new four-year Council Plan, which was informed and developed following an extensive consultation period with several key stakeholders - particularly our community.

Development of this year's \$154.36 million budget comes at an exciting time, as our region, and the wider world, begins to emerge from the COVID-19 pandemic. While the effects of the pandemic have by no means past, it is exciting to see life return to a new 'normal'.

We certainly recognise that many residents, businesses, community and sporting groups have suffered financially as a result of the pandemic, and Council has not been immune to these impacts.

Thanks to some sound financial management, we've been able to forecast an operating surplus of \$0.008 million for the 2022-23 financial year, while still ensuring our services are delivered to levels expected by our community.

We've made it a priority to ensure there is no reduction in the number of valuable services our community receives, which is reflected in a healthy focus on service delivery including during 2022-23 including:

- \$7.58 million for youth, children and family services
- \$5.66 million for aged and disability support services
- \$3.85 million for customer services
- \$4.12 million for community safety, health and wellbeing.

We are also acutely aware of keeping to a minimum the imposing of more financial pressures on to ratepayers, which is why we have not sought an increase over the Victorian Government's Fair Go Rate Cap of 1.75%.

Despite the challenges I look forward to the continued investment into the community and just some of the highlights of the coming 12 months' capital works program include:

- \$17.17 million for buildings and improvements including Stage 2 of the Mildura Sporting Precinct and the redevelopment of the Mildura Riverfront Powerhouse Precinct
- \$11.54 million on roads projects
- \$4.38 million on drainage
- \$3.55 million for waste management projects
- \$2.41 million on recreation, leisure and community facilities projects
- \$3.28 million on parks, open spaces and streetscapes.

I am also incredibly proud to see the official opening of Stage 1 of Mildura Sporting Precinct occur in late 2021, with the commencement of sporting activities and other events also underway. The Mildura Sporting Precinct represents the largest project of this type ever undertaken by Council, and demonstrates what can be achieved by our community.

The 2022-23 Budget is the result of a rigorous process and an exhaustive amount of work to ensure it meets the needs of our community and is financially responsible, and I think this budget achieves those objectives.

Cr Liam Wood
Mayor
Mildura Rural City Council

Executive Summary

As a local government organisation, we deliver more than 100 different services, facilities and infrastructure for people who live, work and visit our region. The work we do is vital to ensure our region continues to grow and attract new business and investment. This year also sees the ongoing implementation of the more than 150 pieces of legislation, regulations and guidelines that Council must work within.

Like most organisations, businesses and councils across the country, the effects of the COVID-19 pandemic have continued to impact the 2021-22 adopted budget. Council has continued to review and refine operations over the past 12 months in a bid to reduce costs where possible and achieve a balanced budget position. This work has been undertaken while prioritising investment in crucial services and infrastructure that Council delivers to ensure continuity of delivery and availability to the community.

This will involve a systematic approach to reviewing services throughout Council to identify possible cost savings and align with the needs of the community. It is an ongoing process of continuous improvement with a focus on sustainable, high quality, responsive and accessible services. The Australian Business Excellence Framework (ABEF) is an integrated leadership and management system across Council that describes the elements essential to organisations sustaining high levels of performance.

On top of this, Council also needs to take into account the community's capacity to pay in accordance with the state government's rate capping requirements.

Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

The 2022-23 Budget includes a range of services and initiatives which will contribute to achieving the strategic objectives specified in the 2021-25 Council Plan.

The average base rate will rise by 1.75% in line with the order by the Minister for Local Government in December 2021 in accordance with the Fair Go Rates System (FGRS). The 1.75% rise will provide total rates income of \$81.42 million including waste charges.

This budget projects an overall surplus of \$12.52 million for 2022-23. This is due predominately to budgeted capital grant funding of \$10.86 million. Our operating result, after removing the effect of capital grants and other capital funding sources, is a surplus \$0.008 million.

COVID-19 - Community and economic recovery

Council has responsibilities for relief and recovery under the *Emergency Management Act 2013* and has continued to contribute to the relief, support and recovery of our community through the pandemic.

During the 2021-22 financial year, Council completed the allocation of the \$1.5 million COVID-19 Community Relief and Recovery Fund. This was achieved through rate relief, waiving of various fees and charges, provision of grants, assistance with food parcels, increased cleaning of community facilities such as toilets and playgrounds, the adaption of services to online and to meet various government requirements.

During the pandemic, Council has strived to:

- assist those affected with access to information and linking services and supports such as accommodation, food assistance and other relief
- reduce the risk to public health
- provide timely information about the pandemic, relief and support options and recovery
- creating connections between community members, Council and other service agencies
- providing financial relief for those effected including residence, business, community and sporting groups.

Council completed a financial sustainability review as part of its internal audit strategy during the year, and as part of its continuous improvement focus. Savings and efficiencies have been investigated and implemented which have improved Council's deficit position as reported in the previous budget. This is a continuous process with a focus to maintain existing services levels now and into the future.

Executive Summary (cont.)

Key things we are funding

Ongoing delivery of services to the Mildura community is funded by a new budget of \$75.36 million. These services are summarised in Section 2.

For the 2022-23 year, \$49.73 million will be spent on capital works projects.

- Road projects - \$11.54 million will be spent.

Significant projects include:

- Meridian Road south of Sturt Highway construction stage 2 and 3
- Reconstruction of Etiwanda Avenue and Tenth Street intersection
- Sixth Street and Ontario Avenue intersection upgrade
- 200 metre section of Seventeenth Street between Deakin Avenue and San Mateo Avenue reconstruction
- Asphalt Excelsior Drive
- Asphalt Arielle Court replacement of kerb.

- Parks, open spaces and streetscapes - \$3.28 million will be spent.

Significant projects include:

- Deakin Avenue median redevelopment from Seventh Street to Eighth Street
- Springfield Drive park development
- Walnut Park play equipment replacement
- Construct tiered brick walls abutments Mildura Marina bridge
- Nowingi Place playground replacement.

- Buildings and building improvements - \$17.17 million will be spent.

Significant projects include:

- Mildura Sporting Precinct construction stage 2
- Mildura Riverfront Powerhouse Precinct
- Irymple Kindergarten extension
- Upgrades and improvements to Lake Cullulleraine Community Complex
- Renewal Mildura Workers Bowls Club clubhouse (subject to grant approval)
- Solar Installation - Mildura Sporting Precinct
- Feasibility and design Red Cliffs integrated early years facility planning for future
- Upgrade Ninth Street public toilet
- Aero Ovals parks depot renewal and sewer upgrade
- Apex Park barbeque and shelter renewal.

- Drainage - \$4.38 million will be spent on projects including:

- Cabarita drainage upgrade
- Nichols Point drainage upgrade
- Etiwanda spur line Sixteenth Street to Fifteenth Street
- Calder Basin to Cowra Avenue drainage works.

- Recreational, leisure and community facilities - \$2.41 million will be spent.

Significant projects include:

- Lighting upgrade at Henshilwood Recreation Reserve
- Lighting project Old Aerodrome Sporting Complex (OASC) soccer precinct (subject to grant approval)
- Construction of four outdoor netball courts with competition lighting at Mildura Sporting Precinct
- Merbein Bowls Club new surface on number two green (subject to contribution agreement)
- Nichols Point Recreation Reserve sports facility (subject to grant approval).

The Statement of Capital Works can be found in Section 3 and further details on the capital works budget can be found in Section 4.5.

Executive Summary (cont.)

The rate rise

The base average rate will rise by 1.75% in line with the order by the Minister for Local Government in December 2021 in accordance with the Fair Go Rates System (FGRS).

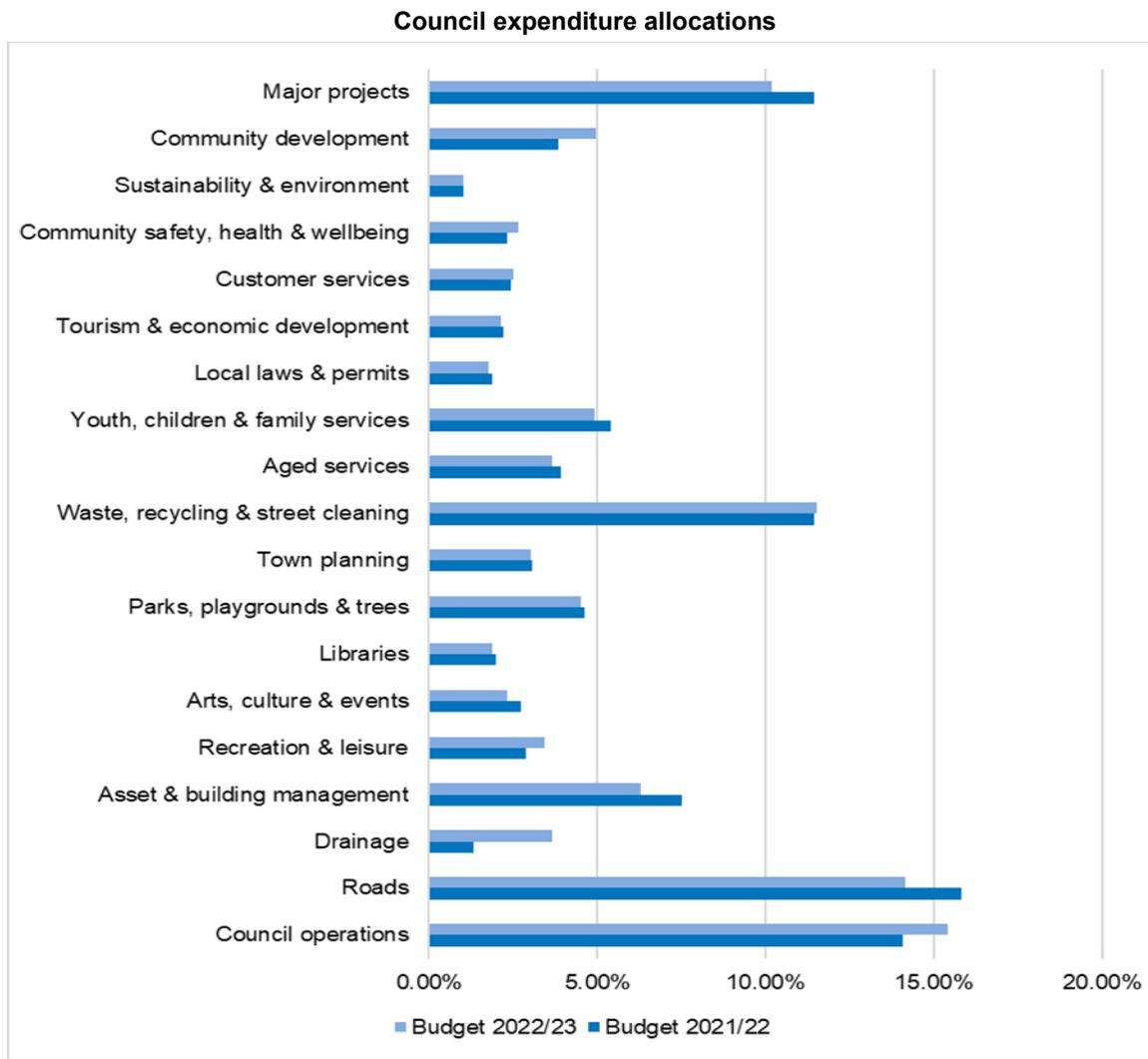
All of Victoria's 79 councils have been operating under rate caps since 1 July 2016.

Each year the Minister for Local Government sets a cap on rate increases based on that period's Consumer Price Index (CPI) and advice from the Essential Services Commission (ESC). The decision must be made by 31 December each year to apply to rates in the following financial year.

As a direct outcome of Council's ongoing effort to identify savings in a financially sustainable manner, there has been a decline in rate increases from a high of 6.00% in 2012-13. Recognising the community's capacity to pay, Council commenced work to reduce rate increases prior to the introduction of a rate cap by the Victorian Government.

Council expenditure allocations

The below chart provides an indication of how we allocate our expenditure across the main services that we deliver. It shows how much is allocated to each service area for every \$100 that Council spends.



Executive Summary (cont.)

Key budget statistics

- Adjusted underlying operating result:
Operating surplus of \$0.008 million (2021-22 = deficit of \$0.02 million)
(Note: The underlying operating result is an important measure of financial sustainability, as it excludes income which is to be used for capital from being allocated to cover operating expenses.)
- Cash result:
\$7.94 million deficit (2021-22 = \$3.75 million deficit)
The \$7.94 million deficit for 2022-23 and \$3.75 million deficit for 2021-22 includes capital works expenditure including the Mildura Sporting Precinct, Mildura Riverfront Powerhouse Precinct and Roads to Recovery (RTR) program. Carried forward capital works from 2021-22 are also \$19.27 million, with this expenditure now occurring in the 2022-23 budget. This is also the net funding result after considering the funding requirements to meet loan principal repayments and the reserve transfers.
(Refer Statement of Cash Flows in Section 3)

Total capital works program is \$49.73 million funded from:

- \$ 36.88 million from Council operations (rates funded)
- \$ 0.74 million from contributions
- \$ 10.86 million from external grants
- \$ 1.25 million from new borrowings

(Refer to Statement of Capital Works Section 3 and 4.5)

Budget influences

As a result of the city's demographic profile, there are a number of budget implications in the short- and long-term as follows:

- Mildura Rural City Council encompasses 22,330 square kilometres, which is almost 10% of the state. The vast area increases service delivery costs when compared to metropolitan councils. Resourcing ratios are higher as a result, because services need to be accessible to all as far as practicable.
- The city is substantially developed and is experiencing only an increase in property numbers. The budget implications arise due to the need to install, maintain and replace important infrastructure such as drainage.
- Approximately 15% of our ratepayers are entitled to the pensioner rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community.

Executive Summary (cont.)

External influences

The preparation of the Budget is influenced by the following external factors:

- The Federal Assistance Grant payments have been 75% forward paid this year, and the 75% advanced payment will be assumed to be received annually each year thereafter. This is merely a timing difference and has no overall effect on Council's budget or grant allocations.
- The freezing of Federal Assistance Grants funding for three years from 2014-15 to 2016-17. It is estimated to cost Council accumulatively over \$18 million over the 10-year period from 2014-15 to 2023-24.
- The Victorian Government has introduced a cap on rate increases from 2016-17. The cap for 2022-23 has been set at 1.75%, which is based on the state-wide CPI forecast for the 2022-23 year.
- Preparation of the 2021-22 and 2022-23 budgets have been undertaken during unprecedented times, in the face of both a health and economic crisis as a result of the global COVID-19 pandemic. Council has taken these significant local and global impacts into account when preparing this budget, including future challenges and the potential for continuing economic uncertainty.
- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of government in Australia. In addition, councils are entrusted with the maintenance of more than 85% of all local roads across Australia and more than 30% of all Australian public assets including bridges, parks, footpaths, drainage and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the state government with the introduction of the *Fire Services Property Levy Act 2012*.
- The superannuation guarantee rate continues to increase (10.5% in 2023) and will increase annually by 0.5% until it reaches 12% on 1 July 2025.

Internal influences

As well as external influences, there are also a number of internal influences that are expected to have an impact on the preparation of the 2022-23 budget. These matters and their financial impact are set out below:

- Our asset renewal requirements continue to increase each year as our asset base grows. Through Council's stewardship, resources and activities are developed to renew and/or maintain all assets to ensure continued delivery of services and to maintain the service potential of Council assets.
- Continued development of Mildura Sporting Precinct Stage 2, and Mildura Riverfront Powerhouse Precinct. These form part of the Mildura Future Ready advocacy and funding strategy, and are the largest initiatives Mildura Rural City Council has undertaken.
- Debt servicing costs as a result of borrowings required to complete major capital works projects including Stage 2 of Mildura Sporting Precinct and Mildura Riverfront Powerhouse Precinct. These costs are supplemented by contributions from state and federal governments and sporting and community associations.
- Continued advocacy and support to aid the communities recovery from impacts of COVID-19.
- Council continues efforts to find savings and efficiencies as part of Council's long term financial planning with a focus on ongoing financial sustainability.

Economic Assumptions

Assumption	Notes	Forecast	Budget	Projections		
		2021/22	2022/23	2023/24	2024/25	2025/26
Rates and charges	1	1.50%	1.75%	2.00%	2.00%	2.00%
Statutory fees and fines	2	1.50%	1.75%	2.00%	2.00%	2.00%
User fees	2	1.50%	1.75%	2.00%	2.00%	2.00%
Federal assistance grants	3	1.00%	2.50%	2.50%	2.50%	2.50%
Grants - operating	4	1.50%	1.75%	2.00%	2.00%	2.00%
Grants - capital \$'000	5	\$12,706	\$10,859	\$2,705	\$2,705	\$5,410
Contributions - monetary	6	1.50%	1.75%	2.00%	2.00%	2.00%
Contributions - non monetary	6	1.50%	1.75%	2.00%	2.00%	2.00%
Other income	6	1.50%	1.75%	2.00%	2.00%	2.00%
Employee costs	7	3.40%	3.40%	3.40%	3.40%	3.40%
Superannuation guarantee	8	10.00%	10.50%	11.00%	11.50%	12.00%
Materials and services	9	1.50%	1.75%	2.00%	2.00%	2.00%
Depreciation and amortisation \$'000	10	\$17,842	\$19,137	\$20,272	\$20,675	\$21,084
Other expenses	11	1.50%	1.75%	2.00%	2.00%	2.00%

Notes to Assumptions

1. Rates and charges

Council has forecast its rate increase for 2022-23 in line with the Fair Go Rates System (FGRS) and in accordance with Council's revenue and rating plan. Forward projections are for slight increase to a 2% rate cap.

2. Statutory fees and fines and User fees

Inflation forecast is in accordance with Victorian Budget Strategy and Outlook document.

3. Federal assistance grants

These grants are provided by Victorian State government for general operating grants. A 2.5% increase has been forecast based on historical data and current available information.

4. Grants - operating

Inflation forecast is in accordance with Victorian Budget Strategy and Outlook document.

5. Grants - capital

Forecasting of capital grants for 2022-23 are based on known grant agreements and projects, with future forecasting based on ongoing grants for the Roads to Recovery program.

6. Contributions and other income

Inflation forecast is in accordance with Victorian Budget Strategy and Outlook document.

7. Employee costs

Increases are based on 2% enterprise bargaining agreement increase, plus employee banding increases of 1.4% annually.

8. Superannuation guarantee

In line with Federal Government national increase to superannuation to reach 12% by 1 July 2025.

9. Materials and services

Inflation forecast is in accordance with Victorian Budget Strategy and Outlook document.

10. Depreciation and amortisation

Increases to depreciation and amortisation are based on completion of the capital works program and major building projects.

11. Other expenses

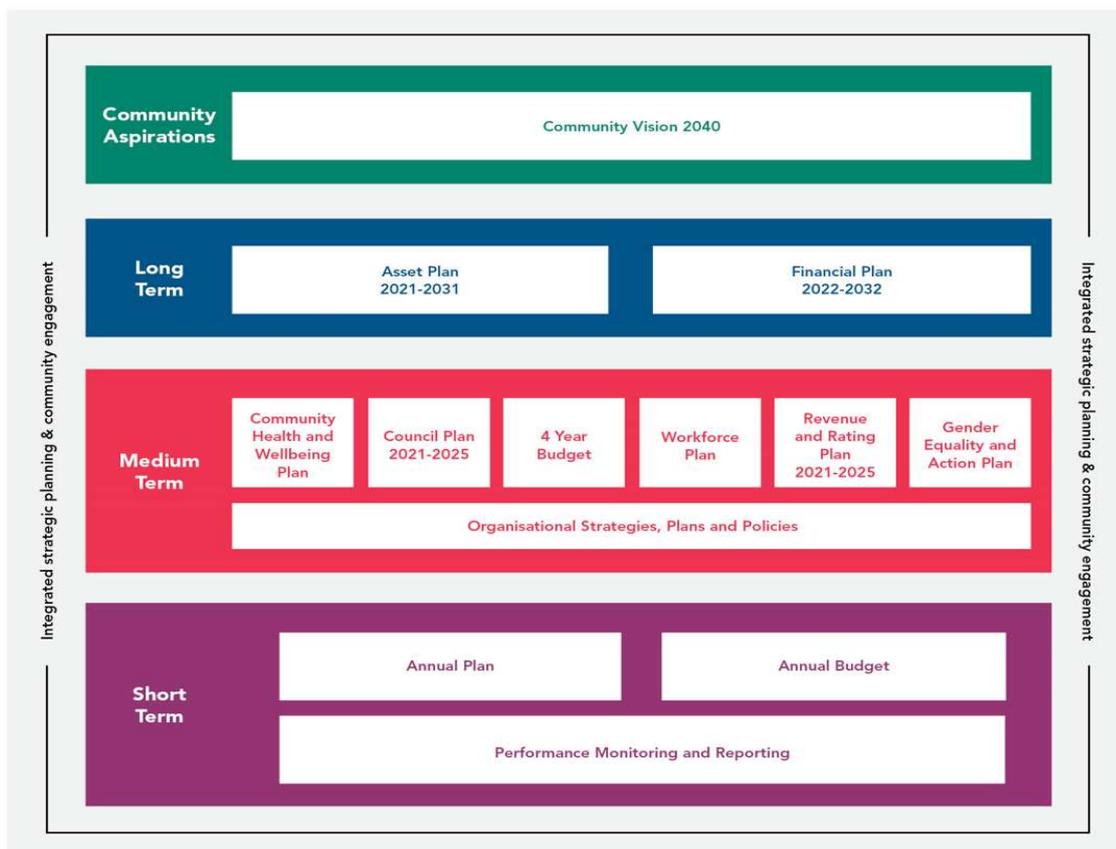
Inflation forecast is in accordance with Victorian Budget Strategy and Outlook document.

1. Link to the Integrated Planning and Reporting Framework

This section describes how the Budget links to the achievement of the Community Vision and Council Plan within an overall integrated strategic planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision and Financial Plan), medium term (Council Plan, Workforce Plan, and Revenue and Rating Plan) and short term (Budget) and then holding itself accountable (Annual Report).

1.1 Legislative planning and accountability framework

The Budget is a rolling four-year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The diagram below depicts the integrated strategic planning and reporting framework that applies to Council, this also follows the framework of local government Victoria. At each stage of the integrated strategic planning and reporting framework there are opportunities for community and stakeholder input. This is important to ensure transparency and accountability to both residents and ratepayers.



The timing of each component of the integrated planning and reporting framework is critical to the successful achievement of the planned outcomes.

1.1.2 Key planning considerations

Service level planning

Although councils have a legal obligation to provide some services such as animal management, local roads, food safety and statutory planning, most council services are not legally mandated, including some services closely associated with councils, such as libraries, building permits and sporting facilities. Further, over time, the needs and expectations of communities can change. Therefore councils need to have robust processes for service planning and review to ensure all services continue to provide value for money and are in line with community expectations. In doing so, councils should engage with communities to determine how to prioritise resources and balance service provision against other responsibilities such as asset maintenance and capital works. Community consultation needs to be in line with a council's adopted Community Engagement Policy and Public Transparency Policy.

1. Link to the Integrated Planning and Reporting Framework (cont.)

1.2 Our purpose

Our vision

Making this the most liveable, people-friendly community in Australia

Our values

Respect – We will be respectful towards others and value differences.

Honesty – We will be ethical and open.

Integrity – We will be reliable and trustworthy in all that we do.

Transparency – We will be objective and fair in our communications and decisions.

Accountability – We will be consistent and responsible for our actions.

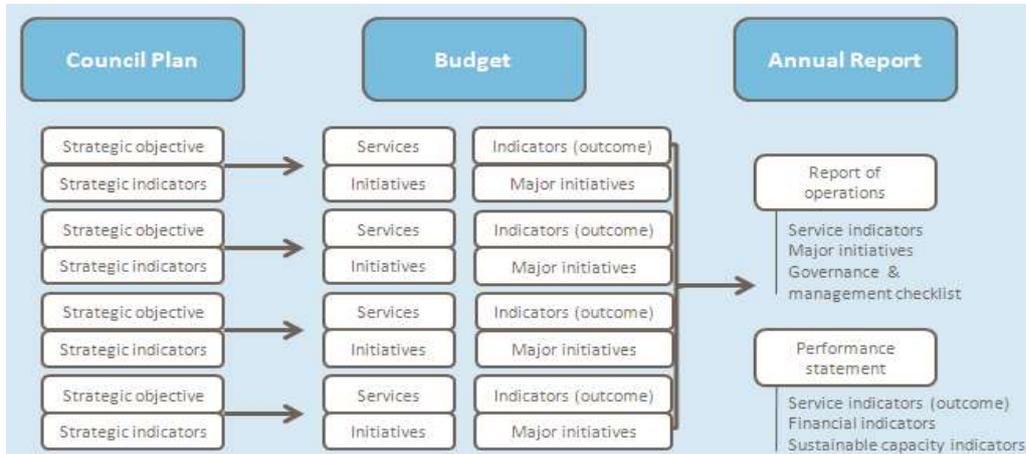
1.3 Strategic directions

Council delivers activities and initiatives under major service categories. Each contributes to the achievement of one of the five strategic directions set out in the Council Plan 2021-2025. The following table lists the five strategic directions as described in the Council Plan.

Strategic direction	Description
1 Environment	We will sustain and enhance our natural environment and resources for current and future generations.
2 Community	We will be a healthy, respectful and connected community.
3 Place	We will be a place to live, belong and visit with infrastructure and development that enhances our lifestyle.
4 Economy	We will have a thriving economy that harnesses our strengths and capitalises on opportunity.
5 Leadership	We will have responsible, collaborative leadership that puts community wellbeing at the heart of decision-making.

2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2022-23 financial year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes several initiatives and service performance outcome indicators for key areas of Council's operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in its Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: Department of Jobs, Precincts and Regions

2.1 Strategic Direction 1 - Environment

To achieve the strategic direction we will:

- protect and enhance native vegetation within Murray riverfront reserves, lakes, wetlands, roadside reserves and parks
- reduce illegal dumping and littering in our natural and urban environment
- advocate for waste reduction at the source
- reduce waste to landfill and increase waste diversion
- achieve net zero emissions for Council operations, services and infrastructure by 2040, and 2050 for landfill
- support our community to reduce emissions and address the causes and impacts of climate change
- increase environmental awareness and education about energy efficiency, waste management, biodiversity, climate change and water conservation
- advocate for a sustainable Murray Darling Basin that supports the human, social, economic and environmental wellbeing of our community
- partner with organisations to advocate for further development in sustainable agriculture and horticulture.

2. Services and service performance indicators (cont.)

The services, major initiatives, other initiatives and service performance indicators for each service area are described below.

Service area	2020/21 Actual \$'000	2021/22 Forecast \$'000	2022/23 Budget \$'000
Environmental sustainability	<i>Income</i>	493	727
	<i>Expenditure</i>	1,402	1,463
	<i>Surplus / (deficit)</i>	(909)	(736)

This service develops, coordinates and implements environmental policy, plans, strategies and initiatives and works with other services to improve Council's environmental performance. Reducing energy and water usage within Council operations, protecting and enhancing Council managed natural areas and roadsides, and educating the community are key priority areas for environmental sustainability.

Waste management	<i>Income</i>	2,047	2,611	3,054
	<i>Expenditure</i>	11,911	13,970	13,818
	<i>Surplus / (deficit)</i>	(9,864)	(11,359)	(10,764)

This service provides **waste collection** and waste management services including kerbside collection services, the operation of three landfills and eight rural transfer stations, litter bin collection, street sweeping, bin maintenance and event bins.

Other Initiatives

- 1) Solar installation at Mildura Sporting Precinct - Installation of 273kW solar PV and 100kWh battery storage at the Mildura Sporting Precinct
- 2) Urban Forest Strategy - Preparation of an Urban Forest Strategy for the municipality
- 3) Cool It! - Continuation of urban nature strip tree planting and community engagement program in line with Cool It! Mildura report

Service Performance Outcome Indicators

Service	Indicator	2020/21 Actual	2021/22 Forecast	2022/23 Budget
Waste collection*	Waste diversion	72.19%	73.88%	75.13%

* Refer to Section 2.6 for information on the calculation of Service Performance Outcome Indicators

2. Services and service performance indicators (cont.)

2.2 Strategic Direction 2 - Community

To achieve the strategic direction we will:

- advocate for equitable, affordable and flexible health and education services across our region based on community need
- improve service integration and coordination in partnership with community and service providers
- reduce the incidence of fatalities and serious injuries on our roads
- provide safe public spaces and facilities
- work with our partners to prevent family violence
- work with other agencies to maintain public health and safety
- build community resilience and support recovery from the COVID-19 pandemic and its emotional, social and economic impacts
- partner with other agencies to ensure our community and organisation are well-prepared for emergency response and recovery
- enhance, promote and provide access to a diverse range of arts and culture experiences to inspire our community and beyond
- value and embrace our history and heritage
- build and promote the Mildura Arts Centre collection on a local, national and international level and manage and conserve items to ensure the collection is available for future generations
- support quality and diverse community events
- improve community and health and wellbeing outcomes, reduce health inequalities and create healthy environments for all stages of life
- increase participation rates in sport and recreation
- shape a community in which children and their families can reach their full potential
- promote gender equality
- foster a broader level of social inclusion and active participation in the community
- reduce barriers and increase access for people with a disability to promote inclusion and participation
- develop partnerships to support culturally diverse communities to transition, settle and actively participate in community life
- promote youth engagement, participation and development
- work with Aboriginal community members and organisations towards reconciliation, self-determination and closing the gap.

The services, major initiatives, other initiatives and service performance indicators for each service area is described below.

Service area		2020/21 Actual \$'000	2021/22 Forecast \$'000	2022/23 Budget \$'000
Aged and disability services	<i>Income</i>	4,022	3,988	4,112
	<i>Expenditure</i>	5,058	5,565	5,949
	<i>Surplus / (deficit)</i>	(1,036)	(1,577)	(1,837)

This service provides a range of home and community care services for the aged and people with a disability including home care, personal care, respite care, home maintenance and planned activity groups.

Arts and culture	<i>Income</i>	511	1,166	1,326
	<i>Expenditure</i>	1,919	2,983	3,003
	<i>Surplus / (deficit)</i>	(1,408)	(1,817)	(1,677)

This service provides arts and culture activities throughout the municipality, with the delivery of visual and performing arts programs and services at Mildura Arts Centre across gallery and heritage, community cultural development, marketing and development (including customer service/box office ticketing, café and theatre) and technical services. The service includes the presentation of an entrepreneur program in both the visual and performing arts through funding from Arts Victoria, as well as the venue hires of the theatre auditorium and foyer spaces for local and commercial organisation. This service also includes overseeing Mildura's most important heritage building Rio Vista Historic House, as well as Mildura Station Homestead and venue hires of woolshed and cottage.

2. Services and service performance indicators (cont.)

Service area		2020/21 Actual \$'000	2021/22 Forecast \$'000	2022/23 Budget \$'000
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Civic compliance	<i>Income</i>	1,152	1,171	1,132
	<i>Expenditure</i>	1,880	2,087	2,053
	<i>Surplus / (deficit)</i>	(728)	(916)	(921)

This service provides staff at school crossings throughout the municipality to ensure that all pedestrians, but mainly school aged children, are able to cross the road safely. It maintains and improves the health and safety of people, animals and the environment providing **animal management** services including a cat trapping program, a dog and cat collection service, a lost and found notification service, a pound service, a registration and administration service, an after hours service and an emergency service. It also provides education, regulation and enforcement of the general local law and relevant state legislation.

Community health	<i>Income</i>	1,354	1,416	1,332
	<i>Expenditure</i>	2,024	2,412	2,457
	<i>Surplus / (deficit)</i>	(670)	(996)	(1,125)

This service provides family-oriented support services including universal and enhanced **maternal and child health** and immunisation.

Early years	<i>Income</i>	2,699	3,048	3,242
	<i>Expenditure</i>	3,062	3,308	3,577
	<i>Surplus / (deficit)</i>	(363)	(260)	(335)

Provides family day care, centre-based child care and other Early years planning and programs such as Best Start and supported playgroups.

Environmental health	<i>Income</i>	145	134	419
	<i>Expenditure</i>	1,070	1,108	1,119
	<i>Surplus / (deficit)</i>	(925)	(974)	(700)

This service protects the community's health and well-being by coordination of regulatory services of premises for **food safety**, accommodation, hair and beauty, skin penetration businesses, tobacco retailers, smoke free legislation and wastewater disposal. The service also works to rectify any public health concerns relating to unreasonable noise emissions, air quality issues and smells etc.

Libraries	<i>Income</i>	429	486	496
	<i>Expenditure</i>	2,352	2,485	2,599
	<i>Surplus / (deficit)</i>	(1,923)	(1,999)	(2,103)

This service provides public **libraries** at five locations plus outreach library services to four remote locations. It provides a customer-focused service that caters for the cultural, educational and recreational needs of residents and visitors. The service also provides a focal point for the community where they can meet, relax and enjoy the facilities, programs and services offered.

Youth engagement	<i>Income</i>	717	867	742
	<i>Expenditure</i>	1,155	1,431	1,224
	<i>Surplus / (deficit)</i>	(438)	(564)	(482)

This service provides youth-oriented services including education programs, personal development programs, and health and safety programs.

Other Initiatives

- 4) Mildura Heritage Study Stage 2 - Facilitation of stage 2 of the Mildura Heritage Study project
- 5) Develop cultural strategy - Preparation of a cultural strategy for the municipality

2. Services and service performance indicators (cont.)

Service Performance Outcome Indicators

Service	Indicator	2020/21 Actual	2021/22 Forecast	2022/23 Budget
Animal management*	Health and safety	100.00%	100%	100.00%
Maternal and child health*	Participation	74.66%	68.84%	72.18%
	Participation	77.21%	71.98%	71.23%
Food safety*	Health and safety	80.49%	82.76%	83.00%
Libraries*	Participation	9.38%	7.29%	10.60%

* Refer to section 2.6 for information on the calculation of Service Performance Outcome Indicators.

2.3 Strategic Direction 3: Place

To achieve the strategic direction we will:

- ensure long-term land supply to enable future growth
- create and maintain welcoming open spaces that are accessible and connected
- continue developing the Mildura Riverfront Precinct
- provide access to a diverse range of quality sporting and recreation facilities and programs
- ensure long-term water security for Council facilities
- use innovative design to provide buildings and facilities that are sustainable and fit-for-purpose to meet community needs
- advocate for better transport services for our municipality
- develop an integrated transport and land use strategy to plan future transport network requirements
- advocate for the development of a Murray River trail
- advocate for funding to support projects that benefit our communities
- ensure communities are supported to determine their own vision and priorities.

The services, major initiatives, other initiatives and service performance indicators for each service area is described below.

Service area		2020/21 Actual \$'000	2021/22 Forecast \$'000	2022/23 Budget \$'000
Building and enforcement	<i>Income</i>	508	434	448
	<i>Expenditure</i>	660	730	679
	<i>Surplus / (deficit)</i>	(152)	(296)	(231)

This service provides statutory building services to the community including processing of building permits, emergency management responsibilities, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.

Community development	<i>Income</i>	1,916	2,349	1,025
	<i>Expenditure</i>	3,798	5,551	4,362
	<i>Surplus / (deficit)</i>	(1,882)	(3,202)	(3,337)

This service has the responsibility to support and develop community initiatives listed in individualised, township-based community plans and to strengthen the local community's capacity to drive its own growth, economic, social and physical development. The service is a conduit between Council services and the wider community.

2. Services and service performance indicators (cont.)

Service area		2020/21 Actual \$'000	2021/22 Forecast \$'000	2022/23 Budget \$'000
Engineering services	<i>Income</i>	643	757	809
	<i>Expenditure</i>	2,847	3,146	3,200
	<i>Surplus / (deficit)</i>	(2,204)	(2,389)	(2,391)
This service undertakes design, tendering, contracting, project management, and supervision of various infrastructure works within Council's capital works program. The service also approves and supervises private development activities such as subdivisions and infrastructure associated with unit developments.				
Facility services	<i>Income</i>	109	55	50
	<i>Expenditure</i>	7,028	8,144	7,599
	<i>Surplus / (deficit)</i>	(6,919)	(8,089)	(7,549)
This service is responsible for the maintenance, management and strategic planning for Council's building, land, property leases and licenses.				
Parks	<i>Income</i>	87	88	19
	<i>Expenditure</i>	6,692	6,859	6,445
	<i>Surplus / (deficit)</i>	(6,605)	(6,771)	(6,426)
This service is divided into several operational units including tree pruning, planting, removal of vegetation, planning and street tree strategies. It maintains public spaces including parks and gardens, as well as ovals and recreational spaces. It provides for the management of conservation and parkland areas and other areas of environmental significance.				
Recreation development	<i>Income</i>	530	312	467
	<i>Expenditure</i>	2,369	2,625	3,789
	<i>Surplus / (deficit)</i>	(1,839)	(2,313)	(3,322)
This service includes management of recreation facilities (wet and dry) including aquatic facilities , facility redevelopment and provision of grant funding for grass roots participation.				
Statutory planning	<i>Income</i>	827	893	999
	<i>Expenditure</i>	1,675	1,760	1,876
	<i>Surplus / (deficit)</i>	(848)	(867)	(877)
The statutory planning service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary.				
Strategic planning	<i>Income</i>	-	-	-
	<i>Expenditure</i>	1,148	1,644	1,379
	<i>Surplus / (deficit)</i>	(1,148)	(1,644)	(1,379)
Strategic planning monitors Council's planning scheme as well as consulting and preparing major policy documents shaping the future of the city. It also prepares and processes amendments to the Council planning scheme and carries out research on demographic, urban development, economic and social issues affecting Council.				
Works and infrastructure services	<i>Income</i>	1,033	1,059	1,077
	<i>Expenditure</i>	9,137	8,814	9,012
	<i>Surplus / (deficit)</i>	(8,104)	(7,755)	(7,935)
This service inspects and maintains Council's main civil infrastructure assets in a sustainable and prioritised manner to a defined service level. These include roads , laneways, car parks, footpaths, shared/bike paths and Council's drainage network. The service also includes delivery of civil capital works projects, plus inspection and maintenance of VicRoads arterial roads located within the municipality.				

2. Services and service performance indicators (cont.)

Major Initiatives

- 6) Meridian Road stages 2 and 3 reconstruction
- 7) Deakin Avenue median redevelopment from Seventh to Eighth Street
- 8) Mildura CBD urban regener8 - a two-year project which will see up to 500 trees planted and targeted infrastructure and landscaping works throughout the Mildura CBD urban retail precinct
- 9) Develop integrated transport study
- 10) Mildura Sporting Precinct project including the construction of eight lane turf and synthetic cricket nets and four outdoor netball courts with competition standard lighting
- 11) Delivery of Mildura Riverfront Powerhouse Precinct redevelopment project

Other Initiatives

- 12) Expansion of Irymple Kindergarten to assist meeting increased demand for three- and four-year-old kindergarten places
- 13) Feasibility options and concept design for expansion of Red Cliffs Kindergarten to plan for increased demand for three- and four-year-old kindergarten places
- 14) Purchase additional permanent water share

Service Performance Outcome Indicators

Service	Indicator	2020/21 Actual	2021/22 Forecast	2022/23 Budget
Aquatic facilities*	Utilisation	3.81	3.10	4.36
Statutory Planning*	Decision making	100.00%	100.00%	90.00%
Roads*	Satisfaction	59	60	61

* Refer to Section 2.6 for information on the calculation of Service Performance Outcome Indicators

2.4 Strategic Direction 4 - Economy

To achieve the strategic direction we will:

- support local businesses to recover from the COVID-19 pandemic
- partner with State and Federal governments to advocate and implement support to recover from the COVID-19 pandemic
- support quality tourism services and experiences
- attract and support major events and conferences
- collaborate with regional and state tourism bodies
- support the sustainability of our region's agricultural and horticultural sectors
- implement place-based initiatives that create opportunities for improved amenity, economic growth and tourism
- advocate for infrastructure and services needed to attract investment and stimulate economic growth
- work with government and partners to address skill and workforce shortages across the region
- advocate for access to high quality digital infrastructure
- maintain Mildura Airport as a critical regional asset.

The services, major initiatives, other initiatives and service performance indicators for each service area are described below.

2. Services and service performance indicators (cont.)

Service area		2020/21 Actual \$'000	2021/22 Forecast \$'000	2022/23 Budget \$'000
Events	<i>Income</i>	31	3	-
	<i>Expenditure</i>	986	1,241	1,287
	<i>Surplus / (deficit)</i>	(955)	(1,238)	(1,287)

The business conferencing and event services are responsible for assistance and facilitation of business enquiries, events and conferencing. Services are specialised and tailored to meet customer and client needs.

Economic development and tourism	<i>Income</i>	1,400	817	315
	<i>Expenditure</i>	4,945	3,393	2,969
	<i>Surplus / (deficit)</i>	(3,545)	(2,576)	(2,654)

The economic development and tourism service assists the organisation to:

- facilitate growth within Council by working with industry and business to grow/sustain existing business and develop new investment opportunities
- encourage and form strategic alliances with key stakeholders in industry and government to help build a vibrant and sustainable community
- commit to working in partnership with Mildura Regional Development to maximise economic development within the Council region through specialised projects and initiatives
- provide specialised services tailored to meet customer and client needs through facilitation of tourism enquiries and accommodation bookings administered by the Visitor Information Centre (VIC).

Other Initiatives

- 15) Funds provided to Mildura Regional Development to achieve economic and tourism outcomes for the community
- 16) Continue to work with Mildura Airport and Mildura City Heart to achieve their required outcomes for the community
- 17) CBD Revitalisation Project - Review of commercial supply, demand and configuration issues in order to deliver economic revitalisation to the Mildura CBD and the broader municipality, creating stronger connections between the Mildura CBD and Riverfront Precinct

2.5 Strategic Direction 5 - Leadership

To achieve the strategic direction we will:

- provide the community opportunity for input into decisions that affect them through good governance and meaningful community engagement
- create opportunities for Councillors and staff to listen and connect with the community
- regularly communicate information about Council decisions, projects, services, strategies, and performance
- utilise the Business Excellence Framework to maintain a high performing customer-driven organisation that provides value for money
- ensure Council's workforce reflects the principles of diversity, inclusion and gender equality in our day-to-day leadership and workforce planning
- maintain a workplace culture where staff and Councillors are healthy and safe
- implement an integrated approach to planning, monitoring and performance reporting to ensure Council is accountable to the community
- seek customer feedback on a regular basis about our services
- work with our community to advocate for local needs and on key issues including prevention of family violence, gender equality, climate change, water security, health and wellbeing, equitable rating system
- work in partnership with other organisations to actively seek opportunities to address community needs.

2. Services and service performance indicators (cont.)

The services, major initiatives, other initiatives and service performance indicators for each service area are described below.

Service area	2020/21 Actual \$'000	2021/22 Forecast \$'000	2022/23 Budget \$'000	
Chief executive office	<i>Income</i>	431	1	1
	<i>Expenditure</i>	2,642	1,951	1,936
	<i>Surplus / (deficit)</i>	(2,211)	(1,950)	(1,935)

This area of **governance** includes the Mayor, Councillors, Chief Executive Officer and associated support.

Customer support	<i>Income</i>	11	17	16
	<i>Expenditure</i>	1,366	1,572	1,905
	<i>Surplus / (deficit)</i>	(1,355)	(1,555)	(1,889)

Customer support is the first point of contact the public has with Council and acts as the interface between the organisation and the community. This service provides face-to-face service in three Council service centres and call centre operations. It also processes customer requests and payments and issues permits and receipts. Customer support staff also provide internal administrative support to the whole organisation.

Financial services	<i>Income</i>	374	376	347
	<i>Expenditure</i>	1,918	2,136	2,170
	<i>Surplus / (deficit)</i>	(1,544)	(1,760)	(1,823)

This service predominantly provides financial based services to both internal and external customers including the management of Council's finances, raising and collection of rates and charges, and valuation of properties throughout the municipality.

Governance and risk	<i>Income</i>	625	1,054	1,009
	<i>Expenditure</i>	3,120	3,897	4,067
	<i>Surplus / (deficit)</i>	(2,495)	(2,843)	(3,058)

This area provides a range of governance and statutory services. Services include legislative compliance, maintenance of public registers and coordination of Council meetings, coordination of legal services, insurance, business risk management, and business continuity services and property management services. It also provides leadership in emergency management through planning for disaster emergencies and coordinating emergency services and support agencies in their planning and response to emergencies.

Information systems	<i>Income</i>	5	-	-
	<i>Expenditure</i>	4,891	5,602	6,062
	<i>Surplus / (deficit)</i>	(4,886)	(5,602)	(6,062)

This service enables and supports the information and communication technology (ICT) needs of all of Council. This encompasses all mobile and fixed voice, data record management, GIS and software applications across all sites and field operations to all staff enabling the timely and efficient delivery of services to the community.

Marketing and communications	<i>Income</i>	-	-	-
	<i>Expenditure</i>	832	955	1,042
	<i>Surplus / (deficit)</i>	(832)	(955)	(1,042)

This service works with all areas of the organisation to ensure the community is informed about and involved in Council decisions, services, projects and facilities. Key tasks include media liaison, online communications, website management, publication development, graphic design, advertising and marketing.

2. Services and service performance indicators (cont.)

Service area	2020/21 Actual \$'000	2021/22 Forecast \$'000	2022/23 Budget \$'000	
Organisational development	<i>Income</i>	938	454	401
	<i>Expenditure</i>	3,115	2,787	2,913
	<i>Surplus / (deficit)</i>	(2,177)	(2,333)	(2,512)

This service provides Council with strategic and operational organisation development support. The service develops and implements strategies, policies and procedures through the provision of human resource, industrial relations, occupational health and safety, corporate planning, reporting and business improvement services. The service also assists managers to determine and progress toward future structures, capability and cultures in their service units. It also includes the payment of salaries and wages to Council employees.

Procurement and fleet	<i>Income</i>	258	236	235
	<i>Expenditure</i>	(2,180)	(2,168)	(2,763)
	<i>Surplus / (deficit)</i>	2,438	2,404	2,998

This service purchases and maintains Council vehicles, plant and equipment to meet functionality and safety needs and to maximise the performance and minimise operational cost of the fleet. In addition, it also provides procurement and contracting of services.

Strategic asset management	<i>Income</i>	-	67	-
	<i>Expenditure</i>	1,866	1,783	1,966
	<i>Surplus / (deficit)</i>	(1,866)	(1,716)	(1,966)

This service prepares long term maintenance management programs for Council's infrastructure assets in an integrated and prioritised manner in order to optimise their strategic value and service potential. These assets include road and drainage networks, municipal buildings, pavilions and other recreational equipment and outdoor spaces.

Other initiatives

- 18) Review the 10-year Financial Plan in accordance with the *Local Government Act 2020*
- 19) Implementation of the Gender Equality Action Plan
- 20) Development of Revenue and Rating Strategy

Service Performance Outcome Indicators

Service	Indicator	2020/21 Actual	2021/22 Forecast	2022/23 Budget
Governance*	Satisfaction	48	50	51

* Refer to Section 2.6 for information on the calculation of Service Performance Outcome Indicators

2. Services and service performance indicators (cont.)

2.6 Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions. (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community)	Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community
Statutory planning	Decision making	Council planning decisions upheld at VCAT. (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
Roads	Satisfaction	Satisfaction with sealed local roads. (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.
Libraries	Participation	Active library borrowers. (Percentage of the population that are active library borrowers)	[The sum of the number of active library borrowers in the last 3 financial years / The sum of the population in the last 3 financial years] x100
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill. (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities. (Number of visits to aquatic facilities per head of population)	Number of visits to aquatic facilities / Population
Animal Management	Health and safety	Animal management prosecutions. (Percentage of animal management prosecutions which are successful)	Number of successful animal management prosecutions / Total number of animal management prosecutions

2. Services and service performance indicators (cont.)

Food safety	Health and safety	Critical and major non-compliance outcome notifications. (Percentage of critical and major non-compliance outcome notifications that are followed up by Council)	[Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises] x100
Maternal and Child Health	Participation	Participation in the MCH service. (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the financial year) / Number of children enrolled in the MCH service] x100
		Participation in the MCH service by Aboriginal children. (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the financial year) / Number of Aboriginal children enrolled in the MCH service] x100

2.7 Reconciliation with budgeted operating result

	Surplus/ (Deficit)	Expenditure	Revenue
	\$'000	\$'000	\$'000
Strategic Direction 1: Environment	(11,500)	15,281	3,781
Strategic Direction 2: Community	(9,180)	21,981	12,801
Strategic Direction 3: Place	(33,447)	38,341	4,894
Strategic Direction 4: Economy	(3,941)	4,256	315
Strategic Direction 5: Leadership	(17,289)	19,298	2,009
Total	(75,357)	99,157	23,800
Others non-attributable	(6,050)		
Deficit before funding sources	(81,407)		
Funding sources added in:			
Rates and charges revenue	69,090		
Waste charge revenue	12,325		
Capital income	12,516		
Surplus for the year	12,524		

3. Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the 2022-23 financial year has been supplemented with projections to 2025-26 financial year.

This section includes the following financial statements prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

- 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
- Summary of Planned Human Resources Expenditure

Comprehensive Income Statement

For the four years ending 30 June 2026

	Notes	Forecast	Budget	Projections		
		Actual 2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Income						
Rates and charges	4.1.1	78,994	81,415	83,690	86,356	89,094
Statutory fees and fines	4.1.2	2,384	2,542	2,593	2,645	2,698
User fees	4.1.3	7,090	8,541	8,012	8,172	8,335
Grants - operating	4.1.4	26,427	25,152	23,904	24,382	24,870
Grants - capital	4.1.4	12,706	10,859	2,705	2,705	5,410
Contributions - monetary	4.1.5	1,587	1,830	1,094	1,100	1,106
Contributions - non-monetary	4.1.5	1,952	1,800	1,832	1,869	1,906
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		(1,660)	(1,685)	(1,719)	(1,753)	(1,788)
Other income	4.1.6	6,247	5,770	5,886	6,004	6,124
Total income		135,727	136,224	127,997	131,480	137,755
Expenses						
Employee costs	4.1.7	53,740	58,186	54,684	56,561	58,503
Materials and services	4.1.8	47,616	43,339	46,392	47,644	48,321
Depreciation	4.1.9	17,607	18,888	20,021	20,422	20,829
Amortisation - intangible assets	4.1.10	161	177	181	185	189
Amortisation - right of use assets	4.1.11	74	72	70	68	66
Bad and doubtful debts		133	133	135	138	141
Borrowing costs		1,028	944	851	799	745
Finance cost - leases		51	51	49	47	45
Other expenses	4.1.12	1,718	1,910	1,943	1,977	2,012
Total expenses		122,128	123,700	124,326	127,841	130,851
Surplus/(deficit) for the year		13,599	12,524	3,671	3,639	6,904
Other comprehensive income						
Items that will not be reclassified to surplus or deficit in future periods						
Net asset revaluation increment /(decrement)		18,534	18,905	19,278	19,686	20,094
Share of other comprehensive income of associates and joint ventures		(1,493)	(182)	218	375	560
Total comprehensive result		30,640	31,247	23,167	23,700	27,558

Balance Sheet

For the four years ending 30 June 2026

		Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	Projections		
	Notes			2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Assets						
Current assets						
Cash and cash equivalents		69,405	61,461	61,564	61,668	62,914
Trade and other receivables		9,286	9,378	9,433	9,486	9,538
Other financial assets		2,850	2,850	2,850	2,850	2,850
Inventories		590	599	609	621	633
Other assets		264	268	273	278	284
Total current assets	4.2.1	82,395	74,556	74,729	74,903	76,219
Non-current assets						
Trade and other receivables		3,742	3,364	2,976	2,578	2,169
Other financial assets		1,750	1,750	1,750	1,750	1,750
Right-of-use assets		1,164	1,092	1,022	954	888
Investments in associates, joint arrangement and subsidiaries		49,964	49,782	50,000	50,375	50,935
Property, infrastructure, plant and equipment		954,893	1,004,136	1,027,886	1,052,036	1,078,743
Intangible assets		10,899	10,722	10,541	10,356	10,167
Total non-current assets	4.2.1	1,022,412	1,070,846	1,094,175	1,118,049	1,144,652
Total assets		1,104,807	1,145,402	1,168,904	1,192,952	1,220,871
Liabilities						
Current liabilities						
Trade and other payables		3,117	3,117	3,117	3,117	3,117
Trust funds and deposits		3,179	3,175	3,175	3,180	3,190
Unearned income		1,154	1,154	1,154	1,154	1,154
Provisions		13,442	13,904	14,381	14,875	15,386
Interest-bearing liabilities	4.2.3	3,214	1,554	1,376	1,428	1,481
Lease liabilities	4.2.4	86	86	86	86	86
Total current liabilities	4.2.2	24,192	22,990	23,289	23,840	24,414
Non-current liabilities						
Provisions		34,761	35,955	37,189	38,466	39,787
Interest-bearing liabilities	4.2.3	11,084	20,440	19,242	17,762	16,228
Lease liabilities	4.2.4	1,324	1,324	1,324	1,324	1,324
Total non-current liabilities	4.2.2	47,169	57,719	57,755	57,552	57,339
Total liabilities		71,361	80,709	81,044	81,392	81,753
Net assets		1,033,446	1,064,693	1,087,860	1,111,560	1,139,118
Equity						
Accumulated surplus		423,101	437,197	440,789	444,330	450,560
Reserves		610,345	627,496	647,071	667,230	688,558
Total equity		1,033,446	1,064,693	1,087,860	1,111,560	1,139,118

Statement of Changes in Equity

For the four years ending 30 June 2026

	Notes	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2022 Forecast Actual					
Balance at beginning of the financial year		1,002,806	408,062	520,982	73,762
Surplus/(deficit) for the year		12,106	13,599	-	(1,493)
Net asset revaluation increment/(decrement)		18,534	-	18,534	-
Transfers to other reserves		-	(17,677)	-	17,677
Transfers from other reserves		-	19,117	-	(19,117)
Balance at end of the financial year		1,033,446	423,101	539,516	70,829
2023 Budget					
Balance at beginning of the financial year		1,033,446	423,101	539,516	70,829
Surplus/(deficit) for the year		12,342	12,524	-	(182)
Net asset revaluation increment/(decrement)		18,905	-	18,905	-
Transfers to other reserves	4.3.1	-	(15,431)	-	15,431
Transfers from other reserves	4.3.1	-	17,003	-	(17,003)
Balance at end of the financial year	4.3.2	1,064,693	437,197	558,421	69,075
2024					
Balance at beginning of the financial year		1,064,693	437,197	558,421	69,075
Surplus/(deficit) for the year		3,889	3,671	-	218
Net asset revaluation increment/(decrement)		19,278	-	19,278	-
Transfers to other reserves		-	(15,049)	-	15,049
Transfers from other reserves		-	14,970	-	(14,970)
Balance at end of the financial year		1,087,860	440,789	577,699	69,372
2025					
Balance at beginning of the financial year		1,087,860	440,789	577,699	69,372
Surplus/(deficit) for the year		4,014	3,639	-	375
Net asset revaluation increment/(decrement)		19,686	-	19,686	-
Transfers to other reserves		-	(15,359)	-	15,359
Transfers from other reserves		-	15,261	-	(15,261)
Balance at end of the financial year		1,111,560	444,330	597,385	69,845
2026					
Balance at beginning of the financial year		1,111,560	444,330	597,385	69,845
Surplus/(deficit) for the year		7,464	6,904	-	560
Net asset revaluation increment/(decrement)		20,094	-	20,094	-
Transfers to other reserves		-	(15,684)	-	15,684
Transfers from other reserves		-	15,010	-	(15,010)
Balance at end of the financial year		1,139,118	450,560	617,479	71,079

Statement of Cash Flows

For the four years ending 30 June 2026

	Notes	Forecast	Budget	Projections		
		Actual 2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities						
Rates and charges		78,923	81,331	83,592	86,256	88,992
Statutory fees and fines		2,384	2,542	2,593	2,645	2,698
User fees		7,444	8,969	8,465	8,637	8,812
Grants - operating		27,748	26,410	25,099	25,601	26,114
Grants - capital		13,341	11,402	2,840	2,840	5,681
Contributions - monetary		1,587	1,830	1,094	1,100	1,106
Interest received		887	836	853	870	887
Trust funds and deposits taken		6,000	6,000	6,000	6,000	6,000
Other receipts		5,360	4,934	5,033	5,134	5,237
Net GST refund / payment		2,452	2,106	2,910	3,003	2,902
Employee costs		(53,256)	(57,685)	(54,167)	(56,025)	(57,949)
Materials and services		(51,271)	(46,531)	(49,853)	(51,191)	(51,894)
Trust funds and deposits repaid		(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Other payments		(1,766)	(1,961)	(1,992)	(2,024)	(2,057)
Net cash provided by/(used in) operating activities	4.4.1	33,833	34,183	26,467	26,846	30,529
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment		(44,340)	(49,726)	(25,007)	(25,410)	(27,977)
Proceeds from sale of property, infrastructure, plant and equipment		640	615	627	640	653
Repayments of loans and advances		343	369	378	388	398
Net cash provided by/(used in) investing activities	4.4.2	(43,357)	(48,742)	(24,002)	(24,382)	(26,926)
Cash flows from financing activities						
Finance costs		(1,274)	(944)	(851)	(799)	(745)
Proceeds from borrowings		-	9,250	-	-	-
Repayment of borrowings		(3,214)	(1,554)	(1,376)	(1,428)	(1,481)
Interest paid - lease liability		(51)	(51)	(49)	(47)	(45)
Repayment of lease liabilities		(86)	(86)	(86)	(86)	(86)
Net cash provided by/(used in) financing activities	4.4.3	(4,625)	6,615	(2,362)	(2,360)	(2,357)
Net increase/(decrease) in cash and cash equivalents		(14,149)	(7,944)	103	104	1,246
Cash and cash equivalents at the beginning of the financial year		83,554	69,405	61,461	61,564	61,668
Cash and cash equivalents at the end of the financial year		69,405	61,461	61,564	61,668	62,914

Statement of Capital Works

For the four years ending 30 June 2026

	Notes	Forecast	Budget	Projections		
		Actual 2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Property						
Land		-	-	-	-	-
Total land		-	-	-	-	-
Buildings		15,252	17,173	1,473	1,490	1,486
Total buildings		15,252	17,173	1,473	1,490	1,486
Total property		15,252	17,173	1,473	1,490	1,486
Plant and equipment						
Computers and telecommunications		1,705	513	428	428	428
Fixtures, fittings and furniture		370	304	180	180	180
Library books		470	356	355	355	355
Plant, machinery and equipment		3,209	4,842	2,172	2,372	2,272
Other		-	200	200	200	200
Total plant and equipment		5,754	6,215	3,335	3,535	3,435
Infrastructure						
Roads		16,205	11,536	8,784	8,819	11,461
Footpaths and cycle ways		1,014	488	1,313	1,310	1,282
Drainage		1,172	4,378	3,093	3,178	3,247
Recreational, leisure and community		1,839	2,406	1,917	1,913	1,872
Waste management		283	3,554	1,041	1,060	1,085
Parks, open space and streetscapes		2,766	3,282	3,629	3,684	3,697
Kerb and channel		47	694	370	369	361
Off street car parks		8	-	52	52	51
Total infrastructure		23,334	26,338	20,199	20,385	23,056
Total capital works expenditure 4.5.1		44,340	49,726	25,007	25,410	27,977
Represented by:						
New asset expenditure		13,291	18,690	5,266	5,473	5,643
Asset renewal expenditure		21,946	24,043	16,038	16,221	18,224
Asset expansion expenditure		1,927	1,619	1,952	1,934	2,157
Asset upgrade expenditure		7,176	5,374	1,751	1,782	1,953
Total capital works expenditure 4.5.1		44,340	49,726	25,007	25,410	27,977
Funding sources represented by:						
Grants		12,706	10,859	2,705	2,705	5,410
Contributions		1,199	742	-	-	-
Borrowings		-	1,250	-	-	-
Council cash		30,435	36,875	22,302	22,705	22,567
Total capital works expenditure 4.5.1		44,340	49,726	25,007	25,410	27,977

Statement of Human Resources

For the four years ending 30 June 2026

	Forecast	Budget	Projections		
	Actual	2022/23	2023/24	2024/25	2025/26
	2021/22	2022/23	2023/24	2024/25	2025/26
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	53,740	58,186	54,684	56,561	58,503
Employee costs - capital	2,369	2,248	2,293	2,339	2,386
Total staff expenditure	56,109	60,434	56,977	58,900	60,889
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Employees - operating	500.78	526.97	496.97	496.97	496.97
Employees - capital	28.00	31.50	31.50	31.50	31.50
Total staff numbers	528.78	558.47	528.47	528.47	528.47

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

Department	Comprises			
	Budget	Permanent	Permanent	Casual
	2022/23	Full Time	Part Time	
	\$'000	\$'000	\$'000	\$'000
Asset Services	3,166	3,136	30	-
Executive Services	558	558	-	-
Community Care Services	10,522	3,674	6,638	210
Community Futures	4,892	3,239	1,174	479
Community General Manager	615	384	231	-
Governance and Performance	4,554	3,678	676	200
Corporate General Manager	1,361	1,190	171	-
Development General Manager	407	407	-	-
Development Services	4,964	3,790	1,174	-
Financial Services	2,822	2,576	117	129
Information Systems	2,142	1,952	190	-
Leisure and Cultural Services	6,029	4,360	1,382	287
Organisational Development	2,380	1,881	499	-
Parks and Waste Services	6,441	6,119	322	-
Works and Engineering Services	7,333	7,333	-	-
Total staff expenditure	58,186	44,277	12,604	1,305
Capitalised labour costs *	2,248			
Total expenditure	60,434			

* Capitalised labour cost refers to wages and salaries which are costed to capital works projects. This expenditure won't appear in the operating expenditure for employee cost.

The above figures include employee cost for funded and temporary positions. The level of funding and grants will impact employee cost and the number of employees which will vary from year to year.

Statement of Human Resources (cont.)

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

Department	Budget 2022/23	Comprises		Casual
		Permanent Full Time	Permanent Part Time	
Asset Services	27.26	27.00	0.26	-
Executive Services	3.00	3.00	-	-
Community Care Services	100.23	35.00	63.23	2.00
Community Futures	43.80	29.00	10.51	4.29
Community General Manager	3.20	2.00	1.20	-
Governance and Performance	42.10	34.00	6.25	1.85
Corporate General Manager	11.44	10.00	1.44	-
Development General Manager	2.00	2.00	-	-
Development Services	47.15	36.00	11.15	-
Financial Services	23.00	21.00	0.95	1.05
Information Systems	17.04	15.53	1.51	-
Leisure and Cultural Services	54.60	39.48	12.52	2.60
Organisational Development	13.92	11.00	2.92	-
Parks and Waste Services	72.63	69.00	3.63	-
Works and Engineering Services	65.60	65.60	-	-
Total staff FTE	526.97	399.61	115.57	11.79
Capitalised labour costs	31.50			
Total staff FTE	558.47			

Budgeted Operating Income Statement

For the four years ending 30 June 2026

	Forecast	Budget	Projections		
	Actual 2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Income					
Rates and charges	78,994	81,415	83,690	86,356	89,094
Statutory fees and fines	2,384	2,542	2,593	2,645	2,698
User fees	7,090	8,541	8,012	8,172	8,335
Grants - operating	26,427	25,152	23,904	24,382	24,870
Contributions - monetary	388	288	294	300	306
Other income	6,247	5,770	5,886	6,004	6,124
Total income	121,530	123,708	124,379	127,859	131,427
Expenses					
Employee costs	53,740	58,186	54,684	56,561	58,503
Materials and services	47,619	43,339	46,392	47,644	48,321
Bad and doubtful debts	133	133	135	138	141
Depreciation	17,607	18,888	20,021	20,422	20,829
Amortisation - intangible assets	161	177	181	185	189
Amortisation - right of use assets	74	72	70	68	66
Borrowing costs	1,028	944	851	799	745
Finance costs - leases	51	51	49	47	45
Other expenses	1,715	1,910	1,943	1,977	2,012
Total expenses	122,128	123,700	124,326	127,841	130,851
Surplus/(deficit) from operations	(598)	8	53	18	576
Capital funding					
Grants - capital	12,706	10,859	2,705	2,705	5,410
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(1,660)	(1,685)	(1,719)	(1,753)	(1,788)
Contributions - monetary (capital)	1,199	1,542	800	800	800
Contributions - non-monetary (capital)	1,952	1,800	1,832	1,869	1,906
Total surplus/(deficit)	13,599	12,524	3,671	3,639	6,904
Other comprehensive income					
Items that will not be reclassified to surplus or deficit in future periods:					
Net asset revaluation increment /(decrement)	18,534	18,905	19,278	19,686	20,094
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	(1,493)	(182)	218	375	560
Total comprehensive result	30,640	31,247	23,167	23,700	27,558

Summary of Planned Human Resources Expenditure

For the four years ended 30 June 2026

In accordance with the *Local Government Regulations 2020*, the below tables contain a four year summary of the planned human resources expenditure and the planned number of full-time equivalent Council staff categorised by our organisational structure. The summary also provides a breakup of subcategories as women, men or persons of self-described gender.

	2022/23	2023/24	2024/25	2025/26
	\$'000	\$'000	\$'000	\$'000
Asset Services				
Permanent - Full time	3,136	3,244	3,355	3,470
Female	929	961	994	1,028
Male	2,207	2,283	2,361	2,442
Self-described gender	-	-	-	-
Permanent - Part time	30	31	32	33
Female	30	31	32	33
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Asset Services	3,166	3,275	3,387	3,503
Executive Services				
Permanent - Full time	558	577	597	618
Female	372	385	398	412
Male	186	192	199	206
Self-described gender	-	-	-	-
Permanent - Part time	-	-	-	-
Female	-	-	-	-
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Executive Services	558	577	597	618
Community Care Services				
Permanent - Full time	3,674	3,800	3,931	4,066
Female	3,254	3,366	3,482	3,602
Male	420	434	449	464
Self-described gender	-	-	-	-
Permanent - Part time	6,638	1,366	1,413	1,462
Female	6,638	1,366	1,413	1,462
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Community Care Services	10,312	5,166	5,344	5,528
Community Futures				
Permanent - Full time	3,239	3,351	3,466	3,585
Female	2,234	2,311	2,390	2,472
Male	1,005	1,040	1,076	1,113
Self-described gender	-	-	-	-
Permanent - Part time	1,174	1,215	1,257	1,300
Female	866	896	927	959
Male	308	319	330	341
Self-described gender	-	-	-	-
Total - Community Futures	4,413	4,566	4,723	4,885
Community General Manager				
Permanent - Full time	384	397	411	425
Female	-	-	-	-
Male	384	397	411	425
Self-described gender	-	-	-	-
Permanent - Part time	231	239	247	255
Female	231	239	247	255
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Community General Manager	615	636	658	680

Summary of Planned Human Resources Expenditure (cont.)

For the four years ended 30 June 2026

	2022/23	2023/24	2024/25	2025/26
	\$'000	\$'000	\$'000	\$'000
Governance and Performance				
Permanent - Full time	3,678	3,804	3,934	4,069
Female	2,596	2,685	2,777	2,872
Male	1,082	1,119	1,157	1,197
Self-described gender	-	-	-	-
Permanent - Part time	676	699	723	748
Female	676	699	723	748
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Governance and Performance	4,354	4,503	4,657	4,817
Corporate General Manager				
Permanent - Full time	1,190	1,231	1,273	1,316
Female	476	492	509	526
Male	714	739	764	790
Self-described gender	-	-	-	-
Permanent - Part time	171	177	183	189
Female	171	177	183	189
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Corporate General Manager	1,361	1,408	1,456	1,505
Development General Manager				
Permanent - Full time	407	421	435	450
Female	407	421	435	450
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Development General Manager	407	421	435	450
Development Services				
Permanent - Full time	3,790	3,920	4,054	4,194
Female	1,895	1,960	2,027	2,097
Male	1,895	1,960	2,027	2,097
Self-described gender	-	-	-	-
Permanent - Part time	1,174	1,215	1,257	1,300
Female	979	1,013	1,048	1,084
Male	195	202	209	216
Self-described gender	-	-	-	-
Total - Development Services	4,964	5,135	5,311	5,494
Financial Services				
Permanent - Full time	2,576	2,665	2,757	2,852
Female	981	1,015	1,050	1,086
Male	1,595	1,650	1,707	1,766
Self-described gender	-	-	-	-
Permanent - Part time	117	121	125	129
Female	117	121	125	129
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Financial Services	2,693	2,786	2,882	2,981
Information Systems				
Permanent - Full time	1,952	2,019	2,088	2,159
Female	503	520	538	556
Male	1,449	1,499	1,550	1,603
Self-described gender	-	-	-	-
Permanent - Part time	190	197	204	211
Female	190	197	204	211
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Information Systems	2,142	2,216	2,292	2,370

Summary of Planned Human Resources Expenditure (cont.)

For the four years ended 30 June 2026

	2022/23	2023/24	2024/25	2025/26
	\$'000	\$'000	\$'000	\$'000
Leisure and Cultural Services				
Permanent - Full time	4,360	4,510	4,665	4,825
Female	3,439	3,557	3,679	3,805
Male	921	953	986	1,020
Self-described gender	-	-	-	-
Permanent - Part time	1,382	1,430	1,479	1,530
Female	1,327	1,373	1,420	1,469
Male	55	57	59	61
Self-described gender	-	-	-	-
Total - Leisure and Cultural Services	5,742	5,940	6,144	6,355
Organisational Development				
Permanent - Full time	1,881	1,946	2,013	2,082
Female	1,368	1,415	1,464	1,514
Male	513	531	549	568
Self-described gender	-	-	-	-
Permanent - Part time	499	516	534	552
Female	499	516	534	552
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Organisational Development	2,380	2,462	2,547	2,634
Parks and Waste Services				
Permanent - Full time	6,119	6,330	6,548	6,773
Female	1,064	1,101	1,139	1,178
Male	5,055	5,229	5,409	5,595
Self-described gender	-	-	-	-
Permanent - Part time	322	333	344	355
Female	145	150	155	160
Male	177	183	189	195
Self-described gender	-	-	-	-
Total - Parks and Waste Services	6,441	6,663	6,892	7,128
Works and Engineering Services				
Permanent - Full time	7,333	7,580	7,840	8,111
Female	302	312	323	334
Male	7,031	7,268	7,517	7,777
Self-described gender	-	-	-	-
Permanent - Part time	-	-	-	-
Female	-	-	-	-
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Works and Engineering Services	7,333	7,580	7,840	8,111
Casuals, temporary and other expenditure	1,305	1,350	1,396	1,444
Total employee costs - operating	58,186	54,684	56,561	58,503
Capitalised labour costs	2,248	2,293	2,339	2,386
Total staff expenditure	60,434	56,977	58,900	60,889

Summary of Planned Human Resources Expenditure (cont.)

For the four years ended 30 June 2026

	2022/23	2023/24	2024/25	2025/26
	FTE	FTE	FTE	FTE
Asset Services				
Permanent - Full time	27.00	27.00	27.00	27.00
Female	8.00	8.00	8.00	8.00
Male	19.00	19.00	19.00	19.00
Self-described gender	-	-	-	-
Permanent - Part time	0.26	0.26	0.26	0.26
Female	0.26	0.26	0.26	0.26
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Asset Services	27.26	27.26	27.26	27.26
Executive Services				
Permanent - Full time	3.00	3.00	3.00	3.00
Female	2.00	2.00	2.00	2.00
Male	1.00	1.00	1.00	1.00
Self-described gender	-	-	-	-
Permanent - Part time	-	-	-	-
Female	-	-	-	-
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Executive Services	3.00	3.00	3.00	3.00
Community Care Services				
Permanent - Full time	35.00	35.00	35.00	35.00
Female	31.00	31.00	31.00	31.00
Male	4.00	4.00	4.00	4.00
Self-described gender	-	-	-	-
Permanent - Part time	63.23	33.23	33.23	33.23
Female	63.23	33.23	33.23	33.23
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Community Care Services	98.23	68.23	68.23	68.23
Community Futures				
Permanent - Full time	29.00	29.00	29.00	29.00
Female	20.00	20.00	20.00	20.00
Male	9.00	9.00	9.00	9.00
Self-described gender	-	-	-	-
Permanent - Part time	10.51	10.51	10.51	10.51
Female	7.75	7.75	7.75	7.75
Male	2.76	2.76	2.76	2.76
Self-described gender	-	-	-	-
Total - Community Futures	39.51	39.51	39.51	39.51
Community General Manager				
Permanent - Full time	2.00	2.00	2.00	2.00
Female	-	-	-	-
Male	2.00	2.00	2.00	2.00
Self-described gender	-	-	-	-
Permanent - Part time	1.20	1.20	1.20	1.20
Female	1.20	1.20	1.20	1.20
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Community General Manager	3.20	3.20	3.20	3.20

Summary of Planned Human Resources Expenditure (cont.)

For the four years ended 30 June 2026

	2022/23	2023/24	2024/25	2025/26
	FTE	FTE	FTE	FTE
Governance and Performance				
Permanent - Full time	34.00	34.00	34.00	34.00
Female	24.00	24.00	24.00	24.00
Male	10.00	10.00	10.00	10.00
Self-described gender	-	-	-	-
Permanent - Part time	6.25	6.25	6.25	6.25
Female	6.25	6.25	6.25	6.25
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Governance and Performance	40.25	40.25	40.25	40.25
Corporate General Manager				
Permanent - Full time	10.00	10.00	10.00	10.00
Female	4.00	4.00	4.00	4.00
Male	6.00	6.00	6.00	6.00
Self-described gender	-	-	-	-
Permanent - Part time	1.44	1.44	1.44	1.44
Female	1.44	1.44	1.44	1.44
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Corporate Manager	11.44	11.44	11.44	11.44
Development General Manager				
Permanent - Full time	2.00	2.00	2.00	2.00
Female	2.00	2.00	2.00	2.00
Male	-	-	-	-
Self-described gender	-	-	-	-
Permanent - Part time	-	-	-	-
Female	-	-	-	-
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Development General Manager	2.00	2.00	2.00	2.00
Development Services				
Permanent - Full time	36.00	36.00	36.00	36.00
Female	18.00	18.00	18.00	18.00
Male	18.00	18.00	18.00	18.00
Self-described gender	-	-	-	-
Permanent - Part time	11.15	11.15	11.15	11.15
Female	9.30	9.30	9.30	9.30
Male	1.85	1.85	1.85	1.85
Self-described gender	-	-	-	-
Total - Development Services	47.15	47.15	47.15	47.15
Financial Services				
Permanent - Full time	21.00	21.00	21.00	21.00
Female	8.00	8.00	8.00	8.00
Male	13.00	13.00	13.00	13.00
Self-described gender	-	-	-	-
Permanent - Part time	0.95	0.95	0.95	0.95
Female	0.95	0.95	0.95	0.95
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Financial Services	21.95	21.95	21.95	21.95

Summary of Planned Human Resources Expenditure (cont.)

For the four years ended 30 June 2026

	2022/23	2023/24	2024/25	2025/26
	FTE	FTE	FTE	FTE
Information Systems				
Permanent - Full time	15.53	15.53	15.53	15.53
Female	4.00	4.00	4.00	4.00
Male	11.53	11.53	11.53	11.53
Self-described gender	-	-	-	-
Permanent - Part time	1.51	1.51	1.51	1.51
Female	1.51	1.51	1.51	1.51
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Information Systems	17.04	17.04	17.04	17.04
Leisure and Cultural Services				
Permanent - Full time	39.48	39.48	39.48	39.48
Female	31.14	31.14	31.14	31.14
Male	8.34	8.34	8.34	8.34
Self-described gender	-	-	-	-
Permanent - Part time	12.52	12.52	12.52	12.52
Female	12.02	12.02	12.02	12.02
Male	0.50	0.50	0.50	0.50
Self-described gender	-	-	-	-
Total - Leisure and Cultural Services	52.00	52.00	52.00	52.00
Organisational Development				
Permanent - Full time	11.00	11.00	11.00	11.00
Female	8.00	8.00	8.00	8.00
Male	3.00	3.00	3.00	3.00
Self-described gender	-	-	-	-
Permanent - Part time	2.92	2.92	2.92	2.92
Female	2.92	2.92	2.92	2.92
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Organisational Development	13.92	13.92	13.92	13.92
Parks and Waste Services				
Permanent - Full time	69.00	69.00	69.00	69.00
Female	12.00	12.00	12.00	12.00
Male	57.00	57.00	57.00	57.00
Self-described gender	-	-	-	-
Permanent - Part time	3.63	3.63	3.63	3.63
Female	1.63	1.63	1.63	1.63
Male	2.00	2.00	2.00	2.00
Self-described gender	-	-	-	-
Total - Parks and Waste Services	72.63	72.63	72.63	72.63
Works and Engineering Services				
Permanent - Full time	65.60	65.60	65.60	65.60
Female	4.00	4.00	4.00	4.00
Male	61.60	61.60	61.60	61.60
Self-described gender	-	-	-	-
Permanent - Part time	-	-	-	-
Female	-	-	-	-
Male	-	-	-	-
Self-described gender	-	-	-	-
Total - Works and Engineering Services	65.60	65.60	65.60	65.60
Casuals and temporary staff	11.79	11.79	11.79	11.79
Capitalised labour	31.50	31.50	31.50	31.50
Total staff numbers	558.47	528.47	528.47	528.47

4. Notes to the financial statements

This section presents detailed information on material components of the financial statements. Council needs to assess which components are material, considering the dollar amounts and nature of these components.

4.1 Comprehensive Income Statement

4.1.1 Rates and charges

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

As per the *Local Government Act 2020*, Council is required to have a Revenue and Rating Plan which is a four-year plan for how Council will generate income to deliver the Council Plan, program and services and capital works commitments over a four-year period.

In developing the Budget, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the financial planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2022-23 the FGRS cap has been set at 1.75%. The cap applies to both general rates and municipal charges and is calculated on the basis of Council's average rates and charges.

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

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate and the municipal charge will increase by 1.75% in line with the rate cap. This will raise total rates and charges for 2022-23 of \$81.42 million.

The figures in the rates and charges section are based upon a 100% Residential differential rate, 76% Dryland farm differential rate, 76% Irrigated farm differential rate, 120% Business differential rate and a 10% Cultural and recreation land differential rate.

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

	Forecast	Budget	Change	
	Actual 2021/22 \$'000	2022/23 \$'000	\$'000	%
General rates*	65,623	67,417	1,794	2.7%
Waste management charge	11,986	12,325	339	2.8%
Abandonments	(10)	(10)	-	0.0%
Special rates and charges	640	655	15	2.3%
Supplementary rates and rate adjustments	500	760	260	52.0%
Cultural land	-	13	13	0.0%
Payments in lieu of rates	255	255	-	0.0%
Total rates and charges	78,994	81,415	2,421	3.1%

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

4.1.1 Rates and charges (cont.)

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

Type or class of land	2021/22 cents/\$CIV*	2022/23 cents/\$CIV*	Change
Residential differential rate	0.00593050	0.00508460	(14.3%)
Dryland farm differential rate	0.00450718	0.00386430	(14.3%)
Irrigated farm differential rate	0.00450718	0.00386430	(14.3%)
Business differential rate	0.00711660	0.00610152	(14.3%)
Cultural and recreation	0.00059305	0.00050846	(14.3%)
Mildura City Heart special rate*	0.00261571	0.00254895	(2.6%)

* Mildura City Heart special rate is levied only on those properties in the specified zone and paid directly to Mildura City Heart Inc.

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

Type or class of land	2021/22 \$'000	2022/23 \$'000	Change \$'000	%
Residential differential rate	41,547	43,549	2,002	4.8%
Dryland farm differential rate	4,570	5,150	580	12.7%
Irrigated farm differential rate	6,591	6,588	(3)	(0.0%)
Business differential rate	12,915	12,117	(798)	(6.2%)
Cultural and recreational	-	13	13	0.0%
Total amount to be raised by general rates	65,623	67,417	1,794	2.7%
Mildura City Heart special rate	640	655	15	2.3%
Total amount to be raised by general rates	66,263	68,072	1,809	2.7%

4.1.1(d) The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year.

Type or class of land	2021/22 Number	2022/23 Number	Change Number	%
Residential differential rate	24,140	24,573	433	1.8%
Dryland farm differential rate	1,561	1,541	(20)	(1.3%)
Irrigated farm differential rate	1,779	1,787	8	0.4%
Business differential rate	2,406	2,479	73	3.0%
Cultural and recreational	85	85	-	0.0%
Total number of rateable assessments	29,971	30,465	494	1.6%
Mildura City Heart special rate	367	367	-	0.0%

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

4.1.1(f) The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year.

Type or class of land	2021/22 \$'000	2022/23 \$'000	Change \$'000	%
Residential differential rate	6,975,007	8,564,839	1,589,832	22.8%
Dryland farm differential rate	1,013,865	1,332,646	318,781	31.4%
Irrigated farm differential rate	1,462,313	1,704,945	242,632	16.6%
Business differential rate	1,814,845	1,985,860	171,015	9.4%
Cultural and recreational	26,565	25,791	(774)	(2.9%)
Total value of land	11,292,595	13,614,081	2,321,486	20.6%
Mildura City Heart special rate	244,657	256,969	12,312	5.0%

4.1.1 Rates and charges (cont.)

4.1.1(g) The municipal charge under Section 159 of the Act compared with the previous financial year.

Type of Charge	Per Rateable Property 2021/22	Per Rateable Property 2022/23	Change	
	\$	\$	\$	%
Municipal	-	-	-	0.0%

4.1.1(h) The estimated total amount to be raised by municipal charges compared with the previous financial year.

Type of Charge	2021/22	2022/23	Change	
	\$'000	\$'000	\$'000	%
Municipal	-	-	-	0.0%

4.1.1(i) The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year.

Type of Charge	Per Rateable Property 2021/22	Per Rateable Property 2022/23	Change	
	\$	\$	\$	%
Municipal waste	235	210	(25)	(10.6%)
Kerbside collection - landfill	62	59	(3)	(4.8%)
Kerbside collection - recycling	77	81	4	5.2%
Kerbside collection - organics	72	100	28	38.9%
Total	446	450	4	0.9%

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

Type of Charge	2021/22	2022/23	Change	
	\$'000	\$'000	\$'000	%
Municipal waste	6,306	5,752	(554)	(8.8%)
Kerbside collection - landfill	1,692	1,616	(76)	(4.5%)
Kerbside collection - recycling	2,055	2,218	163	7.9%
Kerbside collection - organics	1,933	2,739	806	41.7%
Total	11,986	12,325	339	2.8%

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

Type of Charge	2021/22	2022/23	Change	
	\$'000	\$'000	\$'000	%
General rates and cultural rates	65,623	67,430	1,807	2.8%
Municipal waste and kerbside collections	11,986	12,325	339	2.8%
Rates and charges	77,609	79,755	2,146	2.8%
Mildura City Heart Special rate	640	655	15	2.3%
Total rates and charges	78,249	80,410	2,161	2.8%

4.1.1 Rates and charges (cont.)

4.1.1(l) Fair Go Rates System compliance.

Mildura Rural City Council is required to comply with the state government's Fair Go Rates System (FGRS).

The table below details the budget assumptions consistent with the requirements of the FGRS.

	Annual Budget 2021/22 \$'000	Budget 2022/23 \$'000
Total rates	\$65,623	\$67,417
Number of rateable properties*	29,971	30,465
Base average rates	\$2,190	\$2,213
Maximum rate increase (set by the state government)	1.50%	1.75%
Capped average rate	\$2,222	\$2,252
Maximum general rates and municipal charges revenue	\$66,607	\$68,597
Budgeted general rates and municipal charges revenue	\$65,623	\$67,417
Budgeted supplementary rates	\$500	\$760
Budgeted total rates and municipal charges revenue	\$66,123	\$68,177

* Estimated total rates and number of properties as at 30 June

4.1.1(m) Any significant changes that may affect the estimated amounts to be raised by rates and charges.

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

- the making of supplementary valuations (2022-23: estimated \$0.76 million and 2021-22: \$0.50 million)
- the variation of returned levels of value (e.g. valuation appeals)
- changes of use of land such that rateable land becomes non-rateable land and vice versa
- changes of use of land such that residential land becomes business land and vice versa.

4.1.1(n) Differential rates

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

- Residential differential rate of 0.50846% (0.0050846 cents in the dollar of Capital Improved Value CIV) for all rateable residential properties
- Dryland farm differential rate of 0.38643% (0.0038643 cents in the dollar of CIV) for all rateable dryland farming properties
- Irrigated farm differential rate of 0.38643% (0.0038643 cents in the dollar of CIV) for all rateable irrigated farming properties
- Business differential rate of 0.610152% (0.00610152 cents in the dollar of CIV) for all rateable business properties
- Cultural and recreational concessional rate of 0.050846% (0.00050846 cents in the dollar of CIV) for all rateable cultural and recreational properties

Each differential rate will be determined by multiplying the CIV of each rateable land by the relevant percentages indicated above.

Council considers that each differential rate will contribute to the equitable and efficient carrying out of Council functions. Details of the objectives of each differential rate, the types of classes of land that are subject to each differential rate and the uses of each differential rate are set out in Council's Rating Strategy 2019-2023, which is available for viewing on the Council's website.

4.1.2 Statutory fees and fines

	Forecast	Budget	Change	
	Actual	2022/23		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
Infringements and costs	454	416	(38)	(8.4%)
Land information certificates	64	55	(9)	(14.1%)
Permits	429	443	14	3.3%
Statutory planning fees	880	985	105	11.9%
Valuations database	250	230	(20)	(8.0%)
Other statutory fees and fines	307	413	106	34.6%
Total statutory fees and fines	2,384	2,542	158	6.6%

Statutory fees and fines (\$0.16 million increase)

Statutory fees relate mainly to fees and fines levied in accordance with legislation including animal registrations, and registrations and parking fines per the *Public Health and Wellbeing Act 2008*. Increases in statutory fees are made in accordance with legislative requirements. Fees will be amended in line with any increase should one be determined by the Victorian Government over the course of the 2022-23 year.

Statutory fees are forecast to increase by 6.6% or \$0.16 million compared to 2021-22 forecast. The increase in fees relate mostly to statutory planning and permit fees due to strong demand for housing and associated developments, which is expected to continue for the 2022-23 financial year.

A detailed listing of statutory fees can be obtained from the Fees and Charges Schedule 2022-23, which can be viewed on Council's website.

4.1.3 User fees

	Forecast	Budget	Change	
	Actual	2022/23		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
Rent/lease fees	789	932	143	18.1%
Animal control and local laws	540	560	20	3.7%
Child care/children's programs	497	723	226	45.5%
Aged and health services	915	1,117	202	22.1%
Other fees and charges	352	373	21	6.0%
Contract works	855	870	15	1.8%
Entrance charges	533	661	128	24.0%
Environmental health services	1	276	275	275.0%
Waste management services	2,488	2,905	417	16.8%
Commission/agency fees	120	124	4	3.3%
Total user fees	7,090	8,541	1,451	20.5%

User fees (\$1.45 million increase)

User charges relate to the recovery of service delivery costs through the charging of fees to users of Council's services. These include separate rating schemes, use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home help services. In setting the Budget, the key principle for determining the level of user charges is cost recovery and that any increase does not exceed the local government cost index or market levels.

Overall user charges income is projected to increase from the 2021-22 forecast. The majority of the increases come from waste management and landfill fees, environmental health services, rent/lease fees and childcare-related increases. The 2021-22 financial year has been impacted by COVID-19 with reductions in most user fees due to restrictions and lower economic activity. This is expected to resume to normal levels for the 2022-23 financial year.

A detailed listing of user fees can be obtained from the Fees and Charges Schedule 2022-23 which can be viewed on Council's website.

4.1.4 Grants

Grants are required by the Act and the Regulations to be disclosed in Council's Budget.

	Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	Change	
			\$'000	%
Grants were received in respect of the following:				
Summary of grants				
Commonwealth funded grants	24,212	28,798	4,586	18.9%
State funded grants	14,921	7,213	(7,708)	(51.7%)
Total grants received	39,133	36,011	(3,122)	(8.0%)
Operating Grants				
Recurrent - Commonwealth Government				
Aged care	2,188	2,272	84	3.8%
Federal assistance grants	16,594	17,009	415	2.5%
Hands up Mallee	725	720	(5)	(0.7%)
Recurrent - State Government				
Aged care	502	461	(41)	(8.2%)
Arts and culture	190	190	-	0.0%
Community health	1,307	1,263	(44)	(3.4%)
Early years	302	296	(6)	(2.0%)
Environmental health	35	25	(10)	(28.6%)
Libraries	426	427	1	0.2%
Hands up Mallee	275	-	(275)	(100.0%)
Road maintenance	127	130	3	2.4%
School crossing supervisor	154	155	1	0.6%
Youth services	225	312	87	38.7%
Total recurrent grants	23,050	23,260	210	0.9%
Non-recurrent - Commonwealth Government				
Airport	500	-	(500)	(100.0%)
Community development	-	392	392	100.0%
Family day care	161	141	(20)	(12.4%)
Playalong	100	150	50	50.0%
Non-recurrent - State Government				
Aged care	72	-	(72)	(100.0%)
Asset management	67	-	(67)	(100.0%)
Early years	5	-	(5)	(100.0%)
Emergency management	150	120	(30)	(20.0%)
Engineering	229	5	(224)	(97.8%)
Environment	180	180	-	0.0%
Local laws	23	-	(23)	(100.0%)
Social development and projects	1,195	255	(940)	(78.7%)
Sunraysia Pest Free	583	547	(36)	(6.2%)
Youth services	112	102	(10)	(8.9%)
Total non-recurrent grants	3,377	1,892	(1,485)	(44.0%)
Total operating grants	26,427	25,152	(1,275)	(4.8%)

4.1.4 Grants (cont.)

Operating Grants (\$1.28 million decrease)

Operating grants include all monies received from state and federal sources for the purposes of funding the delivery of Council's services to ratepayers. The majority of the decrease relates to ceasing of Community Employment Program funding that was provided for COVID-19 recovery. Overall, the level of operating grants is projected to decrease by 4.8% or \$1.28 million compared to 2021-22.

A list of operating grants by type and source, classified into recurrent and non-recurrent, is included on the previous page.

	Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	Change	
			\$'000	%
Capital Grants				
<i>Recurrent - Commonwealth Government</i>				
Roads to Recovery	2,905	2,705	(200)	(6.9%)
<i>Recurrent - State Government</i>				
Library books	11	11	-	0.0%
Total recurrent grants	2,916	2,716	(200)	(6.9%)
<i>Non-recurrent - Commonwealth Government</i>				
Building	1,000	2,540	1,540	154.0%
Roads	-	1,650	1,650	100.0%
Waste management	39	-	(39)	(100.0%)
Parks, open space and streetscapes	-	1,219	1,219	100.0%
<i>Non-recurrent - State Government</i>				
Buildings	5,482	382	(5,100)	(93.0%)
Roads	2,622	1,087	(1,535)	(58.5%)
Recreational, leisure and community facilities	-	1,200	1,200	100.0%
Waste management	22	-	(22)	100.0%
Fixtures, fittings and furniture	575	65	(510)	(88.7%)
Computers and telecom	50	-	(50)	(100.0%)
Total non-recurrent grants	9,790	8,143	(1,647)	(16.8%)
Total capital grants	12,706	10,859	(1,847)	(14.5%)
Total grants	39,133	36,011	(3,122)	(8.0%)

Capital Grants (\$1.85 million decrease)

Capital grants include all monies received from state, federal sources for the purposes of funding our capital works program. Overall, the level of capital grants has decreased by 14.5% or \$1.85 million compared to 2021-22. The decrease is mostly due to funding being received in the 2021-22 financial year for the Mildura Sporting Precinct and Mildura Riverfront Powerhouse Precinct. Therefore, this funding reduces as these major projects are completed.

A list of capital grants by type and source, classified into recurrent and non-recurrent, is included above.

4.1.5 Contributions

	Forecast	Budget	Change	
	Actual	2022/23		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
Monetary	1,587	1,830	243	15.3%
Non-monetary	1,952	1,800	(152)	(7.8%)
Total contributions	3,539	3,630	91	2.6%

Contributions (\$0.09 million increase)

Monetary contributions relate to monies paid by developers in regard to public amenities and recreation, drainage and car parking in accordance with planning permits issued for property development. Non-monetary contributions relate to assets that are handed over to Council, generally by developers, in the construction of residential sub-divisions.

Contributions are projected to increase by \$0.09 million or 2.6% compared to 2021-22.

4.1.6 Other income

	Forecast	Budget	Change	
	Actual	2022/23		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
Interest	494	436	(58)	(11.7%)
Interest on rates	393	400	7	1.8%
Sales	707	767	60	8.5%
Other	6	7	1	16.7%
Child care reimbursement	1,979	1,840	(139)	(7.0%)
Fuel tax rebate	220	220	-	0.0%
Workcover costs reimbursements	447	400	(47)	(10.5%)
Legal costs recouped	215	215	-	0.0%
Airport reimbursement	6	5	(1)	(16.7%)
Utilities reimbursement	10	-	(10)	(100.0%)
Youth case management reimbursement	639	428	(211)	(33.0%)
Insurance reimbursement	20	20	-	0.0%
Other costs reimbursement	1,111	1,032	(79)	(7.1%)
Total other income	6,247	5,770	(477)	(7.6%)

Other income (\$0.48 million decrease)

Other income as shown above relates to a range of items such as private works, cost recoups and other miscellaneous income items. It also includes interest revenue on investments and rate arrears.

Other income is forecast to decrease overall compared to 2021-22. This relates predominantly to child care reimbursement, youth case management reimbursement and other costs reimbursements. These were impacted by COVID-19 in 2021-22 and have been reforecast based on predicted economic conditions for the 2022-23 financial year.

4.1.7 Employee costs

	Forecast	Budget	Change	
	Actual	2022/23	\$'000	%
	2021/22	2022/23		
	\$'000	\$'000		
Wages and salaries	48,981	53,076	4,095	8.4%
Payroll tax	12	10	(2)	(16.7%)
Superannuation	4,522	4,900	378	8.4%
Fringe benefits tax	225	200	(25)	(11.1%)
Total employee costs	53,740	58,186	4,446	8.3%

Employee costs (\$4.45 million increase)

Employee costs include all labour related expenditure such as, wages and salaries, and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, and so forth.

Employee costs are forecast to increase by 8.3% or \$4.45 million in comparison to 2021-22. Of this, wages and salaries are forecast to increase by \$4.10 million or 8.4%. The majority of this increase relates to transitional arrangements within Council's Aged and Disability Services department.

From the Statement of Human Resources in Section 3 Council has 526.97 full time equivalent staff (FTE). In addition Council has 31.50 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 \$49.73 million capital works program.

4.1.8 Materials and services

	Forecast	Budget	Change	
	Actual	2022/23	\$'000	%
	2021/22	2022/23		
	\$'000	\$'000		
Contracts Other	9,931	8,213	(1,718)	(17.3%)
Consultants	4,024	2,529	(1,495)	(37.2%)
Environmental protection waste levy	2,601	2,434	(167)	(6.4%)
Building maintenance	2,476	2,102	(374)	(15.1%)
Grants, contributions and donations	4,291	3,480	(811)	(18.9%)
Utilities	3,475	3,746	271	7.8%
Office administration	1,087	951	(136)	(12.5%)
General maintenance	526	537	11	2.1%
Materials purchased	3,785	3,539	(246)	(6.5%)
Plant and vehicle costs	2,113	2,061	(52)	(2.5%)
Information technology	2,035	2,011	(24)	(1.2%)
Insurance	1,449	1,564	115	7.9%
Training	1,020	1,175	155	15.2%
Other materials and contractors	446	545	99	22.2%
Swimming pools	1,439	1,554	115	8.0%
Waste management contracts	6,918	6,898	(20)	(0.3%)
Total materials and services	47,616	43,339	(4,277)	(9.0%)

Material and services (\$4.28 million decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to decrease by 9.0% or \$4.28 million compared to 2021-22.

Materials and services is showing a decrease of \$4.28 million from the previous year. This is partly due to the installation of the instrument landing system at the Mildura Airport, which is auspiced through Council with some payments occurring in the current financial year. This is therefore a reduction in 2022-23 financial year. Contractors and consultants has also decreased in line with completion of grant funded projects.

4.1.9 Depreciation

	Forecast	Budget	Change	
	Actual	2022/23	\$'000	%
	2021/22	2022/23		
	\$'000	\$'000	\$'000	%
Buildings	2,594	2,783	189	7.3%
Plant and equipment	2,914	3,118	204	7.0%
Infrastructure	12,099	12,987	888	7.3%
Total depreciation	17,607	18,888	1,281	7.3%

Depreciation (\$1.28 million increase)

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. Refer to Section 4.5 for a more detailed analysis of Council's capital works program for the 2022-23 year.

4.1.10 Amortisation - intangible assets (AASB16 Leases)

	Forecast	Budget	Change	
	Actual	2022/23	\$'000	%
	2021/22	2022/23		
	\$'000	\$'000	\$'000	%
Intangible assets	161	177	16	9.9%
Total amortisation - intangible assets	161	177	16	9.9%

Amortisation - intangible assets (\$0.02 million increase)

This relates to the amortisation (depreciation) of computer software which is forecast to increase by \$0.02 million or 9.9% compared to 2021-22.

4.1.11 Amortisation - right of use assets

	Forecast	Budget	Change	
	Actual	2022/23	\$'000	%
	2021/22	2022/23		
	\$'000	\$'000	\$'000	%
Right of use assets	74	72	(2)	100.0%
Total amortisation - right of use assets	74	72	(2)	100.0%

Amortisation - right of use assets (\$0.002 million decrease)

This relates to the amortisation of right of use assets identified in accordance with accounting standard (AASB16 Leases). A budget decrease has been forecast for 2022-23 of \$0.002 million.

4.1.12 Other expenses

	Forecast	Budget	Change	
	Actual	2022/23	\$'000	%
	2021/22	2022/23		
	\$'000	\$'000	\$'000	%
Auditors' remuneration - VAGO - audit of the financial statements and performance statement	73	77	4	5.5%
Auditors' remuneration - internal	119	120	1	0.8%
Councillors' allowances	338	373	35	10.4%
Refunds	76	78	2	2.6%
Operating lease rentals	712	762	50	7.0%
Other	400	500	100	25.0%
Total other expenses	1,718	1,910	192	11.2%

Other expenses (\$0.19 million increase)

Other expenses relate to a range of unclassified items, including auditors remuneration, college lease, elected members' vehicle allowance, stock adjustment/write off expense and planning fee refunds. Other expenses are forecast to increase by \$0.19 million or 11.2%.

4.2 Balance Sheet

4.2.1 Assets

Current assets (\$7.84 million decrease) and Non-current assets (\$48.43 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash. It also includes the value of investments in deposits or other highly liquid investments with short-term maturities of three months or less. These balances are projected to decrease by \$7.94 million in the 2022-23 financial year as major capital works projects are completed.

Trade and other receivables are monies owed to Council by ratepayers and others. Short-term debtors are not expected to change significantly in the Budget. Non-current trade and other receivables relate to loans to community organisations such as the Mildura Airport Pty Ltd.

Other assets include items such as prepayments for expenses that Council has paid in advance of service delivery, inventories or stocks held for sale or consumption in Council's services and other revenues due to be received in the next 12 months. Financial assets are short-term deposits greater than 90 days but less than 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all land, buildings, roads, vehicles, equipment and other infrastructure which has been built up by Council over many years. The \$49.24 million increase in this balance is attributable to the \$49.73 million capital works program.

Please refer to Section 3 Balance Sheet for more details.

4.2.2 Liabilities

Current liabilities (\$1.20 million decrease) and Non-current liabilities (\$10.55 million increase)

Provisions include accrued long service leave, annual leave and rostered days off (RDOs) owing to employees. These employee entitlements are expected to remain steady for the 2022-23 year. These entitlements are being actively managed through Council's employee policies.

Current interest bearing liabilities will decrease in 2022-23. This is due to a loan payout of \$2.0 million occurring in 2021-22, with current repayments being reset at normal levels for 2022-23.

Non-current interest bearing liabilities will increase by \$9.36 million as Council draws on budgeted loan of \$9.25 million for completion of Stage 2 of the Mildura Sporting Precinct.

4.2.3 Borrowings

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

	Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000
Amount borrowed as at 30 June of the prior year	17,512	14,298
Amount proposed to be borrowed	-	9,250
Amount projected to be redeemed	(3,214)	(1,554)
Amount of borrowings as at 30 June	14,298	21,994

Borrowings are an important funding source for capital works programs, with Council borrowing funds to finance large infrastructure projects. Council then enters a phase of debt reduction.

This approach has resulted in a reduction in debt and 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. Council's long-term borrowing strategy focuses on reaching a debt position that provides future flexibility to use loan funds, without unduly exposing Council to a high debt burden.

For the 2021-22 year, after making loan repayments of \$3.21 million, total borrowings will be \$14.30 million as at 30 June 2022. Council has delayed borrowing for stage 2 of Mildura Sporting Precinct due to earlier than anticipated receipt of an \$8.0 million state government grant. Borrowings will now be drawn in the mid 2022-23 financial year to the amount of \$9.25 million. Total borrowings will be \$21.99 million as at 30 June 2023.

4.2.4 Leases by category

As a result of AASB 16 Leases, right-of-use assets and lease liabilities have been recognised as outlined in the table below.

	Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000
Right-of-use assets		
Property	1,164	1,092
Total right-of-use assets	1,164	1,092
Lease liabilities		
Current lease Liabilities		
Land and buildings	86	86
Total current lease liabilities	86	86
Non-current lease liabilities		
Land and buildings	1,324	1,324
Total non-current lease liabilities	1,324	1,324
Total lease liabilities	1,410	1,410

Where the interest rate applicable to a lease is not expressed in the lease agreement, Council applies the average incremental borrowing rate in the calculation of lease liabilities. The current incremental borrowing rate is 3.4%.

4.3 Statement of Changes in Equity

4.3.1 Reserves

Council's reserves include both discretionary and statutory reserves. Statutory reserves must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes.

Although discretionary reserves are not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and unless there is a Council resolution, these funds should be used for those earmarked purposes.

Transfers to reserves

Transfer to reserves includes both statutory and discretionary reserves. Statutory reserve transfers includes money from developer contributions and from lease income received for crown land.

Discretionary reserve transfers include money set aside for the land reserves which is used for acquiring strategic pieces of land needed for drainage basins. Also the landfill reserve also receives funds needed for the future after care of the site.

Transfers from reserves

Money transferred from Council's reserves is predominantly for funding required for the 2022-23 capital works program. The majority of the funds are coming from Council's landfill reserve, land reserve and developer contributions reserves.

4.3.2 Equity

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations.
- Reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the accumulated surplus of the Council to be separately disclosed.
- Accumulated surplus is the value of all net assets less reserves that have accumulated over time. The accumulated surplus is the net result of the comprehensive result and net transfers to reserves, which excludes the asset revaluation reserve.

4.4 Statement of Cash Flows

4.4.1 Net cash flows provided by/used in operating activities

Net cash flows provided by/used in operating activities (\$0.35 million increase)

The decrease in cash inflows from operating activities is mostly due to a decrease in materials and services expenditure as funded programs are completed. These change from year to year based on available grants at the time.

The net cash flows from operating activities does not equal the surplus / (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Statement of Cash Flows.

4.4 Statement of Cash Flows (cont.)

4.4.2 Net cash flows provided by/used in investing activities

Net cash flows provided by/used in investing activities (\$5.39 million increase)

The increase is due to additional capital works program for 2022-23, due to carried forward projects and completion of major capitals works including the Mildura Riverfront Powerhouse Precinct and Stage 2 of Mildura Sporting Precinct. The increased payments for property, infrastructure, plant and equipment for 2022-23 are disclosed in Section 3 and 4.5. The capital works program is also influenced by such things as the availability of grant funding and local capacity to complete the works.

4.4.3 Net cash flows provided by/used in financing activities

Net cash flows provided by/used in financing activities (\$11.24 million increase)

The increase is due to borrowing of \$9.25 million expected to be drawn in mid-2022-23. This was delayed from previous years' budgets due to earlier than anticipated receipt of capital grants in 2021-22.

4.5 Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2022-23 year, classified by expenditure type and funding source. Works are also disclosed as current budget or carried forward from prior year.

4.5.1 Summary

	Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	Change \$'000	%
Property	15,252	17,173	1,921	12.6%
Plant and equipment	5,754	6,215	461	8.0%
Infrastructure	23,334	26,338	3,004	12.9%
Total	44,340	49,726	5,386	12.1%

Property (\$1.92 million increase)

Property overall has increased by 12.6% or \$1.92 million compared to 2021-22 due in part to large grant projects being carried forward from prior year.

Plant and equipment (\$0.46 million increase)

Plant and equipment overall has increased by 8.0% or \$0.46 million compared to 2021-22 due to increase in fleet budget due to inflationary pressures.

Infrastructure (\$3.00 million increase)

Infrastructure overall has increased by 12.9% or \$3.00 million compared to 2021-22. This is due to major projects including the Mildura Riverfront Powerhouse Precinct and stage 2 of Mildura Sporting Precinct being in part carried forward into the 2022-23 financial year.

	Project Cost \$'000	Asset Expenditure Types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowings \$'000
Property	17,173	11,996	3,339	1,408	430	2,922	205	12,796	1,250
Plant and equipment	6,215	432	5,549	234	-	76	-	6,139	-
Infrastructure	26,338	6,262	15,155	3,732	1,189	7,861	537	17,940	-
Total	49,726	18,690	24,043	5,374	1,619	10,859	742	36,875	1,250

4.5.1 New assets (\$18.69 million), Asset renewal (\$24.04 million), Upgrade (\$5.37 million) and Expansion (\$1.62 million)

A distinction is made between expenditure on new assets, asset renewal, upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets, but will result in an additional burden for future operation, maintenance and capital renewal.

The major project included in the above categories, which constitutes expenditure on new assets are Mildura Sporting Precinct and Mildura Riverfront Powerhouse Precinct. The remaining capital expenditure represents renewals and expansion/upgrades of existing assets.

4.5 Capital works program (cont.)

4.5.2 Current Budget

Capital Works Area	Project Cost \$'000	Asset Expenditure Types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Land									
Land acquisition	-	-	-	-	-	-	-	-	-
Buildings									
Mildura Sporting Precinct	1,250	1,250	-	-	-	-	-	-	1,250
Mildura Riverfront Powerhouse Precinct	1,750	350	700	700	-	1,750	-	-	-
Specific building upgrade program	2,671	514	1,690	233	234	1,172	205	1,294	-
TOTAL PROPERTY	5,671	2,114	2,390	933	234	2,922	205	1,294	1,250
PLANT AND EQUIPMENT									
Computers and telecommunications									
IT hardware and software	428	30	274	124	-	-	-	428	-
Fixtures, fittings and furniture									
Cemetery	72	-	72	-	-	20	-	52	-
Furniture and equipment acquisition program	232	45	162	25	-	45	-	187	-
Intangible water									
Intangible water acquisition	200	200	-	-	-	-	-	200	-
Library books and library books and art works									
Art works acquisition and conservation	75	75	-	-	-	-	-	75	-
Library books and art works	281	-	281	-	-	11	-	270	-
Plant, machinery and equipment									
Aquatic facilities program	300	-	300	-	-	-	-	300	-
Fleet replacement	2,456	-	2,456	-	-	-	-	2,456	-
Waste management program	160	82	78	-	-	-	-	160	-
TOTAL PLANT AND EQUIPMENT	4,204	432	3,623	149	-	76	-	4,128	-

4.5 Capital works program (cont.)

4.5.2 Current Budget (cont.)

Capital Works Area	Project Cost \$'000	Asset Expenditure Types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowings \$'000
INFRASTRUCTURE									
Roads									
Asphalt program	626	-	626	-	-	-	-	626	-
Gravel resheeting	824	-	824	-	-	-	-	824	-
Intersection improvements	482	-	467	15	-	-	-	482	-
Resealing	1,500	-	1,500	-	-	-	-	1,500	-
Road rehabilitation and reconstruction	2,599	18	1,644	918	19	1,650	-	949	-
Road safety works program	87	27	38	22	-	-	-	87	-
Road to Recovery resealing	1,505	-	1,505	-	-	1,505	-	-	-
Road to Recovery resheeting	1,200	-	1,200	-	-	1,200	-	-	-
Shoulder rehabilitation	1,500	-	1,500	-	-	-	-	1,500	-
Footpaths and cycle ways									
Footpath program	278	96	182	-	-	-	-	278	-
Drainage									
Stormwater drainage program	4,055	3,326	729	-	-	-	-	4,055	-
Recreational, leisure and community facilities									
Recreation facilities program	2,098	225	955	715	203	1,200	388	510	-
Waste management									
Waste management	1,000	-	-	500	500	-	-	1,000	-
Parks, open space and streetscapes									
Cemetery	20	-	-	20	-	-	-	20	-
Parks and natural area development program	2,258	599	1,453	206	-	1,219	149	890	-
Playground equipment replacement program	255	-	204	51	-	-	-	255	-
Kerb and channel									
Kerb and channel	290	-	290	-	-	-	-	290	-
TOTAL INFRASTRUCTURE	20,577	4,291	13,117	2,447	722	6,774	537	13,266	-
TOTAL CAPITAL WORKS	30,452	6,837	19,130	3,529	956	9,772	742	18,688	1,250

4.5 Capital works program (cont.)

4.5.2 Current Budget (cont.)

Property (\$5.67 million)

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

For 2022-23, \$5.67 million will be expended on building and building improvement projects. The more significant projects include:

- Mildura Sporting Precinct - stage 2
- Mildura Sporting Precinct - solar installation
- Mildura Riverfront Powerhouse Precinct
- Mildura Workers Bowls Club clubhouse
- Ninth Street public toilet upgrade
- Aero Ovals parks depot renewal and sewer upgrade
- Apex Park barbeque and shelter renewal.

Plant and equipment (\$4.20 million)

Plant and equipment includes plant, machinery and equipment, computers and telecommunications, Mildura Arts Centre gallery and theatre equipment upgrade and library books.

For 2022-23, \$4.20 million will be expended on plant, equipment and other projects. The more significant include ongoing replacement of fleet (plant and vehicles), replacement of information technology, library material purchases, replacement of information technology disaster recovery systems and wave pool machine replacement at Mildura Waves.

Infrastructure (\$20.58 million)

Infrastructure includes roads, footpaths and cycle ways, drainage, recreation, leisure and community facilities, waste management, parks, open space and streetscapes, and kerb and channel.

For 2022-23, expenditure on road projects will be \$10.32 million. The more significant projects include federally funded Roads to Recovery projects, asphalt program, gravel resheeting, intersection improvement program, resealing, road reconstruction program, road safety program and shoulder works program.

Expenditure on footpaths and cycle ways projects will be \$2.78 million. The projects include renewal, new and upgrade to existing footpaths, including new and missing link footpaths throughout the municipality.

Expenditure on drainage projects will be \$4.05 million. This includes stormwater drainage improvement works at Dylan Court, Cabarita drainage upgrade, Nichols Point drainage upgrade, drainage works at calder basin to Cowra Avenue and also the Etiwanda spur line from Sixteenth Street to Fifteenth Street.

Expenditure on recreational, leisure and community facilities projects will be \$2.09 million. The projects include lighting upgrade at the Henshilwood Recreation Reserve, Nichols Point Recreation Reserve sports facility, lighting upgrade Old Aerodrome Sporting Complex, soccer precinct and Merbein Bowls Club installation of new surface. It must be noted that some of these projects are subject to successful grant applications and funding.

Expenditure on waste management projects will be \$1.00 million on the Mildura landfill rehabilitation.

Expenditure on parks, open space and streetscape projects will be \$2.53 million. The more significant projects include Deakin Avenue redevelopment from Seventh Street to Eighth Street, upgrade of Mildura Marina bridge abutment, replacement of Walnut Avenue playground equipment, development of Springfield Drive Park, replacement and upgrade of play equipment at Windsor Park.

Expenditure on kerb and channel projects will be \$0.29 million. The projects include renewal, new and upgrade to existing kerb and channels, including new and missing link kerb and channels throughout the municipality.

4.5 Capital works program (cont.)

4.5.3 Works carried forward from the 2021-22 year

Capital Works Area	Project Cost \$'000	Asset Expenditure Types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Cash \$'000	Borrowings \$'000
PROPERTY									
Buildings									
Furniture and equipment acquisition program	134	-	128	-	6	-	-	134	-
Mildura Sporting Precinct	6,654	6,654	-	-	-	-	-	6,654	-
Mildura Riverfront Powerhouse Precinct	3,871	2,921	475	475	-	-	-	3,871	-
Specific building	843	307	346	-	190	-	-	843	-
	11,502	9,882	949	475	196	-	-	11,502	-
PLANT AND EQUIPMENT									
Computers and telecomm									
IT hardware / software	85	-	-	85	-	-	-	85	-
Plant and machinery equipment									
Fleet replacement program	1,926	-	1,926	-	-	-	-	1,926	-
	2,011	-	1,926	85	-	-	-	2,011	-
INFRASTRUCTURE									
Roads									
Road safety works program	111	45	22	33	11	111	-	-	-
Road upgrade and widening	1,102	-	551	551	-	976	-	126	-
Drains									
Stormwater replacement and modification	323	-	323	-	-	-	-	323	-
Footpaths and cycleways									
Footpath program	210	64	137	9	-	-	-	210	-
Kerb and Channel									
Kerb and channel program	404	83	205	83	33	-	-	404	-
Parks, open space and streetscapes									
Parks, open space and streetscapes program	266	11	255	-	-	-	-	266	-
Playground equipment replacement program	483	145	145	-	193	-	-	483	-
Recreational, leisure and community facilities									
Mildura Sporting Precinct	308	308	-	-	-	-	-	308	-
Waste management and landfill									
Waste management program	2,554	1,315	400	609	230	-	-	2,554	-
	5,761	1,971	2,038	1,285	467	1,087	-	4,674	-
TOTAL CARRIED FORWARD CAPITAL WORKS 2021-22	19,274	11,853	4,913	1,845	663	1,087	-	18,187	-

4.5 Capital works program (cont.)

4.5.3 Works carried forward from the 2021-22 year (\$19.27 million)

At the end of each financial year, there are projects which are either incomplete or not commenced due to factors including planning issues, extended consultation and weather delays. It should be noted that 30 June is a point in time and projects may be multi-year projects. For example, a grant with income recognised when money is received, but the works may not be completed until the following year, resulting in funds being carried forward between financial years. There may also be situations where a project is physically completed by June 30, but not all invoices have been received resulting in the project not being financially complete by June 30, also requiring funds to be carried into the next financial year.

For the 2021-22 year, it is forecast that \$19.27 million of capital works will be incomplete and will be carried forward into the 2022-23 year. The more significant projects include:

- Mildura Sporting Precinct - stage 2 construction
- Mildura Sporting Precinct - 4 outdoor netball courts with competition lighting
- Mildura Riverfront Powerhouse Precinct upgrade
- Construction of Meridian Road stage 2 and 3
- Road safety works - blackspot treat Seventeenth Street between Benetook Avenue and Deakin Avenue
- New and upgrade footpath projects
- New and upgrade kerb and channel projects
- Mildura glass sorting and re-processing facility
- Mildura Landfill weighbridge design and construction
- Ouyen Landfill rehabilitation
- Mildura Landfill cap designing and approvals stage 1
- Fleet replacement program
- Lake Cullulleraine community complex
- Lake Cullulleraine foreshore amenities projects
- Irymple Kindergarten extension.

4.6 Summary of Planned Capital Works Expenditure

For the four years ended 30 June 2026

In accordance with *Local Government Regulations 2020*, the below tables represents statement of capital works expenditure for the budget year and additional three years after. This is also classified into asset expenditure type and funding sources.

2022/23	Asset Expenditure Types					Funding Sources				
	Total	New	Renewal	Expansion	Upgrade	Total	Grants	Contrib.	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property										
Land	-	-	-	-	-	-	-	-	-	-
Total land	-	-	-	-	-	-	-	-	-	-
Buildings	17,173	11,996	3,339	430	1,408	17,173	2,922	205	12,796	1,250
Total buildings	17,173	11,996	3,339	430	1,408	17,173	2,922	205	12,796	1,250
Total property	17,173	11,996	3,339	430	1,408	17,173	2,922	205	12,796	1,250
Plant and equipment										
Plant, machinery and equipment	4,842	82	4,760	-	-	4,842	-	-	4,842	-
Fixtures, fittings and furniture	304	45	234	-	25	304	65	-	239	-
Computers and telecommunications	513	30	274	-	209	513	-	-	513	-
Library books and art works	356	75	281	-	-	356	11	-	345	-
Other	200	200	-	-	-	200	-	-	200	-
Total plant and equipment	6,215	432	5,549	-	234	6,215	76	-	6,139	-
Infrastructure										
Roads	11,536	90	9,877	30	1,539	11,536	5,442	-	6,094	-
Footpaths and cycleways	488	160	319	-	9	488	-	-	488	-
Drainage	4,378	3,326	1,052	-	-	4,378	-	-	4,378	-
Recreational, leisure and community facilities	2,406	533	955	203	715	2,406	1,200	388	818	-
Waste management	3,554	1,315	400	730	1,109	3,554	-	-	3,554	-
Parks, open space and streetscapes	3,282	755	2,057	193	277	3,282	1,219	149	1,914	-
Kerb and channel	694	83	495	33	83	694	-	-	694	-
Total infrastructure	26,338	6,262	15,155	1,189	3,732	26,338	7,861	537	17,940	-
Total capital works expenditure	49,726	18,690	24,043	1,619	5,374	49,726	10,859	742	36,875	1,250

4.6 Summary of Planned Capital Works Expenditure (cont.)

For the four years ended 30 June 2026

2023/24	Asset Expenditure Types					Funding Sources				
	Total	New	Renewal	Expansion	Upgrade	Total	Grants	Contrib.	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property										
Land	-	-	-	-	-	-	-	-	-	-
Total land	-	-	-	-	-	-	-	-	-	-
Buildings	1,473	437	840	147	49	1,473	-	-	1,473	-
Total buildings	1,473	437	840	147	49	1,473	-	-	1,473	-
Total property	1,473	437	840	147	49	1,473	-	-	1,473	-
Plant and equipment										
Plant, machinery and equipment	2,172	-	2,172	-	-	2,172	-	-	2,172	-
Fixtures, fittings and furniture	180	80	50	-	50	180	-	-	180	-
Computers and telecommunications	428	43	257	-	128	428	-	-	428	-
Library books and art works	355	-	355	-	-	355	-	-	355	-
Other	200	200	-	-	-	200	-	-	200	-
Total plant and equipment	3,335	323	2,834	-	178	3,335	-	-	3,335	-
Infrastructure										
Roads	8,784	1,034	6,169	966	615	8,784	2,705	-	6,079	-
Footpaths and cycleways	1,313	-	1,169	144	-	1,313	-	-	1,313	-
Drainage	3,093	2,075	1,018	-	-	3,093	-	-	3,093	-
Recreational, leisure and community facilities	1,917	-	1,572	211	134	1,917	-	-	1,917	-
Waste management	1,041	-	520	-	521	1,041	-	-	1,041	-
Parks, open space and streetscapes	3,629	1,398	1,577	400	254	3,629	-	-	3,629	-
Kerb and channel	370	-	286	84	-	370	-	-	370	-
Off street car parks	53	-	53	-	-	53	-	-	53	-
Total infrastructure	20,199	4,506	12,364	1,805	1,524	20,199	2,705	-	17,494	-
Total capital works expenditure	25,007	5,266	16,038	1,952	1,751	25,007	2,705	-	22,302	-

4.6 Summary of Planned Capital Works Expenditure (cont.)

For the four years ended 30 June 2026

2024/25	Asset Expenditure Types					Funding Sources				
	Total	New	Renewal	Expansion	Upgrade	Total	Grants	Contrib.	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property										
Land	-	-	-	-	-	-	-	-	-	-
Total land	-	-	-	-	-	-	-	-	-	-
Buildings	1,490	455	815	149	71	1,490	-	-	1,490	-
Total buildings	1,490	455	815	149	71	1,490	-	-	1,490	-
Total property	1,490	455	815	149	71	1,490	-	-	1,490	-
Plant and equipment										
Plant, machinery and equipment	2,372	-	2,372	-	-	2,372	-	-	2,372	-
Fixtures, fittings and furniture	180	80	50	-	50	180	-	-	180	-
Computers and telecommunications	428	43	257	-	128	428	-	-	428	-
Library books and art works	355	-	355	-	-	355	-	-	355	-
Other	200	200	-	-	-	200	-	-	200	-
Total plant and equipment	3,535	323	3,034	-	178	3,535	-	-	3,535	-
Infrastructure										
Roads	8,819	1,077	6,175	950	617	8,819	2,705	-	6,114	-
Footpaths and cycleways	1,310	-	1,168	142	-	1,310	-	-	1,310	-
Drainage	3,178	2,162	1,016	-	-	3,178	-	-	3,178	-
Recreational, leisure and community facilities	1,913	-	1,579	205	129	1,913	-	-	1,913	-
Waste management	1,060	-	530	-	530	1,060	-	-	1,060	-
Parks, open space and streetscapes	3,684	1,456	1,566	405	257	3,684	-	-	3,684	-
Kerb and channel	369	-	286	83	-	369	-	-	369	-
Off street car parks	52	-	52	-	-	52	-	-	52	-
Total infrastructure	20,385	4,695	12,372	1,785	1,533	20,385	2,705	-	17,680	-
Total capital works expenditure	25,410	5,473	16,221	1,934	1,782	25,410	2,705	-	22,705	-

4.6 Summary of Planned Capital Works Expenditure (cont.)

For the four years ended 30 June 2026

2025/26	Asset Expenditure Types					Funding Sources				
	Total	New	Renewal	Expansion	Upgrade	Total	Grants	Contrib.	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property										
Land	-	-	-	-	-	-	-	-	-	-
Total land	-	-	-	-	-	-	-	-	-	-
Buildings	1,486	474	819	148	45	1,486	-	-	1,486	-
Total buildings	1,486	474	819	148	45	1,486	-	-	1,486	-
Total property	1,486	474	819	148	45	1,486	-	-	1,486	-
Plant and equipment										
Plant, machinery and equipment	2,272	-	2,272	-	-	2,272	-	-	2,272	-
Fixtures, fittings and furniture	180	80	50	-	50	180	-	-	180	-
Computers and telecommunications	428	43	257	-	128	428	-	-	428	-
Library books and art works	355	-	355	-	-	355	-	-	355	-
Other	200	200	-	-	-	200	-	-	200	-
Total plant and equipment	3,435	323	2,934	-	178	3,435	-	-	3,435	-
Infrastructure										
Roads	11,461	1,077	8,348	1,234	802	11,461	5,410	-	6,051	-
Footpaths and cycleways	1,282	-	1,158	124	-	1,282	-	-	1,282	-
Drainage	3,247	2,252	995	-	-	3,247	-	-	3,247	-
Recreational, leisure and community facilities	1,872	-	1,538	203	131	1,872	-	-	1,872	-
Waste management	1,085	-	545	-	540	1,085	-	-	1,085	-
Parks, open space and streetscapes	3,697	1,517	1,554	369	257	3,697	-	-	3,697	-
Kerb and channel	361	-	282	79	-	361	-	-	361	-
Off street car parks	51	-	51	-	-	51	-	-	51	-
Total infrastructure	23,056	4,846	14,471	2,009	1,730	23,056	5,410	-	17,646	-
Total capital works expenditure	27,977	5,643	18,224	2,157	1,953	27,977	5,410	-	22,567	-

5. 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.

The financial performance indicators below are the prescribed financial performance indicators contained in Part 3 of Schedule 3 of the *Local Government (Planning and Reporting) Regulations 2020*. Results against these indicators will be reported in Council's Performance Statement included in the Annual Report.

Indicator	Measure	Notes	Actual	Forecast	Budget	Projections			Trend
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	+/-
Operating position									
Adjusted underlying result	Adjusted underlying surplus (deficit) / adjusted underlying revenue	1	10.67%	0.53%	0.82%	0.03%	(0.04%)	2.34%	o
Liquidity									
Working capital	Current assets / current liabilities	2	405.85%	340.59%	324.30%	320.88%	314.19%	312.19%	-
Unrestricted cash	Unrestricted cash / current liabilities	3	321.48%	165.36%	223.70%	221.66%	217.33%	217.65%	o
Obligations									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	22.90%	18.25%	27.23%	24.83%	22.40%	20.03%	-
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		2.70%	5.73%	3.09%	2.68%	2.60%	2.52%	-
Indebtedness	Non-current liabilities / own source revenue		52.64%	49.80%	58.74%	57.65%	55.78%	53.97%	o
Asset renewal	Asset renewal and upgrade expenses / asset depreciation	5	186.85%	165.40%	155.74%	88.85%	88.15%	96.87%	-
Stability									
Rates concentration	Rate revenue / adjusted underlying revenue	6	61.04%	62.96%	63.88%	65.85%	66.14%	65.09%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.72%	0.69%	0.59%	0.72%	0.73%	0.74%	+
Efficiency									
Expenditure level	Total expenses / no. of property assessments		\$3,777.05	\$4,130.26	\$4,115.71	\$4,141.72	\$4,237.45	\$4,315.85	+
Revenue level	Total rate revenue / no. of property assessments		\$2,165.88	\$2,189.55	\$2,213.46	\$2,275.13	\$2,339.93	\$2,406.24	+

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

5. Financial performance indicators (cont.)

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 2022-23 year shows a surplus of \$.0008 million. Victorian councils rates have been capped at the average Victorian CPI of 1.75% for the 2022-23 year.

2. Working capital

The proportion of current liabilities represented by current assets. Working capital is forecast to decrease in 2022-23 year due to completion of Council's capital works program including completion of major projects including the Mildura Sporting Precinct and Mildura Riverfront Powerhouse Precinct.

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 2022-23 due to new borrowings of \$9.25 million occurring. This has been delayed from the 2021-22 financial year. This is due to capital grants being receive earlier than anticipated for Mildura Sporting Precinct. From 2023-24 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 and upgrades 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.