



## Strathbogie Shire Council Budget Report 2019/20

## Contents

Page

Mayors and CEO's Introduction

1

## Budget Reports

1. Link to the Council Plan	3
2. Services and service performance indicators	5
3. Financial statements	12
4. Notes to the financial statements	19
5. Financial Performance Indicators	31

## Disclaimer

The information contained in this document is for general guidance only. It is not professional advice and should not be used, relied upon or treated as a substitute for specific professional advice. Given the changing nature of laws, rules and regulations, and the inherent hazards of electronic communication, there may be delays, omissions or inaccuracies in information contained in this document.

The model budget, including financial statements, has been prepared in accordance with the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*. While every effort has been made to ensure that the information contained in this document has been accurate and complies with relevant Victorian legislation, each Council remains responsible to ensure that the budget they prepare is compliant with all statutory requirements.

## Mayor and CEO's Introduction

### G1 MAYOR'S INTRODUCTION

Strathbogie Shire Council is pleased to present the 2019/20 Budget for adoption following receipt and consideration of submissions. The document builds on the hard work of the current and previous councils to ensure that Strathbogie has a sustainable future and growth potential.

In preparing the 2019/20 Budget, Council has considered many factors in an effort to continue to balance community expectations and benefits with financial responsibilities.

The Budget works hard to maintain and improve existing service levels and deliver strong investment in capital works across the municipality. Council will continue to provide significant funding for renewal works on our ageing and outdated infrastructure, based on the requirements of the Road Management Plan and taking into account financial constraints. The Budget is supported by State and Federal grants of \$10.5 m for capital works and operations and Council is most appreciative of this level of investment by other levels of government.

Council is proposing a 2.25% per cent increase in the average rate for 2019/20. This increase is below the State Government cap of 2.5% under the 'Fair Go Rates' legislation, which will be the second year Council has delivered an increase less than the cap. This level allows for maintenance of existing service levels, funding of a number of significant new initiatives and the ongoing allocation of sufficient funds for the continuing strategic renewal of Council's infrastructure.

Current rating differentials have been reviewed, and Council is proposing to continue to levy a municipal charge, but to reduce the charge from \$266 to \$133 and alter the Farmland rate differential from 82.5% of the Residential rate to 80%. Consideration will also be given to implement a rebate for properties that are committed to providing biodiversity benefits to the wider community via the Trust for Nature programme.

Adjustments to this rating structure will cause some redistribution of the rate burden, with some 60-70% of properties having increases at or below the general rate increase.

In 2018/19 Council absorbed additional costs relating to the waste recycling program, but with continuing challenges in this space, waste charges will increase by 4.1 % with Council incurring additional costs due to challenges in relation to disposal of recycling materials.

The 2019/20 Draft Budget provides for a \$14.655 million capital works program with the following highlights:

ACTIVITY	EXPENDITURE (m)
Roads - including resealing, re sheeting and rehabilitation	7.017
Bridges	0.704
Pedestrian Bridges	0.250
Drainage	0.907
Footpaths	0.274
Plant and Machinery	1.100
Buildings	1.645
Information Technology	0.505
Aquatic Facilities	0.382
Parks, and Open Spaces	1.871
<b>TOTAL</b>	<b>14.655</b>

Funding of \$1 million is also provided to commence rehabilitation of the Violet town landfill.

In addition to the four year period covered by this Budget and Strategic Resource Plan Strategic Resource Plan Long Term Financial Plan has been extended to cover a ten year period which allows for a total expenditure over that period of \$91.1 m including:

- Improvements to Council’s pools and associated infrastructure (\$9.0m)
- Rehabilitation of the Violet Town land fill (\$4.0m)
- Improvements to Play areas and Active Spaces (\$1.4m)

No borrowings are proposed, which allows for long term sustainability and flexibility with our revenue.

The 2019/20 Budget provides for expenditure of \$ 28.19 million on services including:

<b>ACTIVITY</b>	<b>EXPENDITURE (m)</b>
Libraries	0.267
Maternal and Child Health	0.212
Emergency Management	0.141
Waste Management	2.574
Swimming Pools and Beaches	0.363
Arts, Culture, Economy, Events	0.632
Planning	0.883
Parks and Reserves Maintenance	1.769
Roads and Bridges Maintenance	5.170
Saleyards	0.216
Youth Services	0.300
Sustainability	0.338
Animal Management	0.260

The proposed budget details the resources required over the next year to fund the large range of legislated and discretionary services that Council provides to the community. It also includes details of proposed capital expenditure allocations to improve and renew our shire's physical infrastructure, buildings and operational assets, as well as funding proposals for a range of operating projects.

I commend the budget to the community

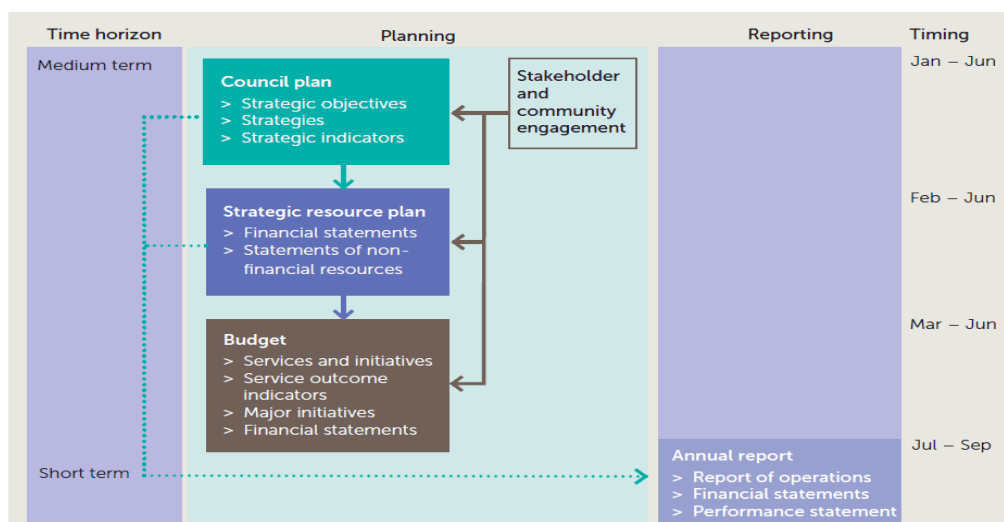
Amanda McClaren  
Mayor

**G2 1. Link to the Council Plan**

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

**G3 1.1 Legislative Planning and accountability framework**

The Strategic Resource Plan, part of and prepared in conjunction with the Council Plan, 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 Annual Budget is framed within the Strategic Resource Plan, considering the services and initiatives which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Environment, Land, Water and Planning

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

**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.

**G4 1.2 Our purpose**

**Our vision**

*"Together we are building a flourishing community"*

**Our mission**

*"To support our community to grow through effective partnerships, engagement and equitable and efficient delivery of services"*

**Our values**

*"To be a respectful, innovative, open and transparent ,inclusive, fair and ethical Council"*

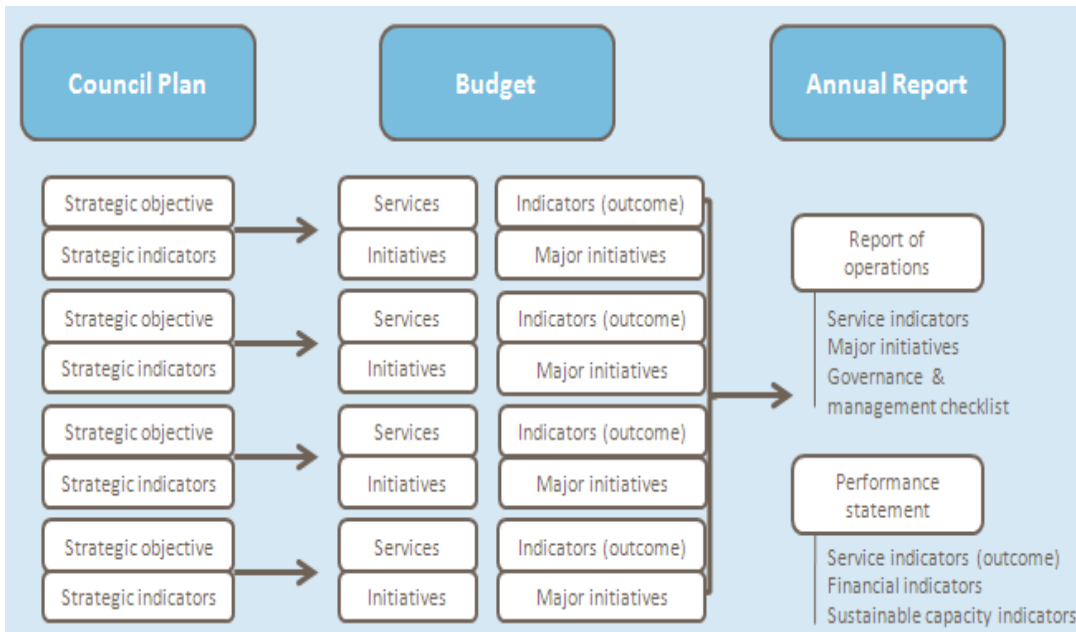
**G5 1.3 Strategic objectives**

*Following Strategic objectives are major pillar of the Council plan*

Strategic Objective	Description
<b>1. Community Wellbeing</b>	To enhance community health and wellbeing
<b>2. Environment</b>	To sustainably manage our natural and built environment
<b>3. Infrastructure</b>	To provide quality infrastructure
<b>4. Economic Development</b>	To support and drive economic development
<b>5. Organisation</b>	To be a high performing Shire

**G6 2. Services and service performance indicators**

This section provides a description of the services and initiatives to be funded in the Budget for the 2019/20 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 their 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 Environment, Land, Water and Planning

## 2.1 Strategic Objective 1

### Community Wellbeing

#### G6 Services

Service area	Description of services provided		2017/18 Actual \$'000	2018/19 Forecast \$'000	2019/20 Budget \$'000
Environmental Health	This service protects the community's health and well-being by coordinating food safety support programs, Tobacco Act activities, immunisation programs and public health promotions. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls.	<i>Exp</i>	149	177	21
		<i>Rev</i>	145	159	197
		<i>NET</i>	4	18	(176)
Animal Management and Local Laws	This service provides for the management of domestic animals (mostly dogs and cats) through registration, education and enforcement where necessary. It is also concerned with issues that arise out of the application of Council's Community Local Law.	<i>Exp</i>	210	40	260
		<i>Rev</i>	87	111	136
		<i>NET</i>	123	(71)	124
Libraries and Arts	This service provides public library services at three locations and a community cinema in Euroa. It provides a customer focused service that caters for the cultural, educational and recreational needs of residents and provides a focal point for the community where they can meet, relax and enjoy the facilities and services offered.	<i>Exp</i>	290	282	288
		<i>Rev</i>	-	60	64
		<i>NET</i>	290	222	224
Community Grants and Recreational Planning	This service provides funding for the development of community facilities and activities.	<i>Exp</i>	194	166	292
		<i>Rev</i>	10	11	3
		<i>NET</i>	184	155	289
Maternal and Child Health	0.0084525	<i>Exp</i>	188	297	224
		<i>Rev</i>	131	210	220
		<i>NET</i>	57	87	4
Youth Services	This service provides youth facilities and a range of recreation and education based youth activities. Programs include Freeza, National Youth Week and L2P driving experience program.	<i>Exp</i>	226	299	301
		<i>Rev</i>	77	90	90
		<i>NET</i>	149	209	211
Street Lighting	This service enhances public safety and community access by providing street lighting in urban areas.	<i>Exp</i>	121	127	140
		<i>Rev</i>	-	-	-
		<i>NET</i>	121	127	140
Parks and Reserves	This service is responsible for the management, maintenance and safety of parks and gardens, sporting grounds and playground facilities.	<i>Exp</i>	1,866	1,375	1,607
		<i>Rev</i>	168	2	-
		<i>NET</i>	1,698	1,373	1,607
Boating Operations and Safety	Council is the boating authority for Nagambie Lakes. This service area provides patrol services, maintenance of boating infrastructure and support for on-water recreational activities.	<i>Exp</i>	78	286	94
		<i>Rev</i>	226	6	12
		<i>NET</i>	(148)	280	82
Community Development	This program oversees activities in the areas of access and inclusion, committee of management support, community planning and other activities designed to strengthen communities.	<i>Exp</i>	74	412	236
		<i>Rev</i>	73	95	68
		<i>NET</i>	1	317	168
Emergency Services	This service includes financial assistance for the SES service, fire prevention activities and flood risk planning and mitigation.	<i>Exp</i>	173	178	141
		<i>Rev</i>	367	148	106
		<i>NET</i>	(194)	30	35
School Crossing Supervision	This program provides supervision of school crossings in Euroa and Nagambie before and after school hours.	<i>Exp</i>	57	-	-
		<i>Rev</i>	26	27	25
		<i>NET</i>	31	(27)	(25)



**G6 Major Initiatives**

Complete the expansion of the Avenel Pre School and Maternal and Child Health Centre

Promote responsible pet ownership through the implementation of Council's Domestic Animal Management Plan 2017-21

Review Council's Community and Meeting Procedure Locals Laws

**Other Initiatives**

Progress Youth Hub for Nagambie

Continue consultation with Fire Brigade Captains to explore Fire Management Planning and CFA Best Practice

**G7 Service Performance Outcome Indicators**

Service	Indicator	2017/18 Actual	2018/19 Forecast	2019/20 Budget
Libraries and Arts	Participation	22	23	24
Maternal and Child Health (MCH)	Participation	78	80	82
Animal Management	Health and safety	0	0	0
Environmental Health	Health and safety	0	0	0

## 2.2 Strategic Objective 2

### Environment

#### G6 Services

Service area	Description of services provided		2017/18 Actual \$'000	2018/19 Forecast \$'000	2019/20 Budget \$'000
Sustainability Management	Council is committed to responsible and sustainable management of the Shire's natural resources. Programs in this service area include Pests and Weeds program, Implementation of Council's environmental strategy and Carbon Footprint Assessment program.	<i>Exp</i>	341	313	271
		<i>Rev</i>	53	101	130
		<i>NET</i>	288	212	141
Waste Management	This service includes kerbside garbage and recycling collections, transfer station operations and waste management of public areas.	<i>Exp</i>	6,310	2,693	2,595
		<i>Rev</i>	2,447	2,642	2,644
		<i>NET</i>	3,863	51	(49)

#### Major Initiatives

Implement the recommendations of Council's Domestic Wastewater Management plan , including working with Goulburn Murray Water to explore small town sewer schemes  
Implement initiatives contained within the Sustainable Strathbogie 2030 Plan

#### Other Initiatives

Implement the Waste Management Strategy  
Implement Tree Management Guidelines

#### G7 Service Performance Outcome Indicators

Service	Indicator	2017/18 Actual	2018/19 Forecast	2019/20 Budget
Waste Management	Waste diversion	70%	72%	74%

## 2.3 Strategic Objective 3

### Infrastructure

#### G6 Services

Service area	Description of services provided		2017/18 Actual \$'000	2018/19 Forecast \$'000	2019/20 Budget \$'000
Municipal Buildings	This service area is responsible for the maintenance of Council owned and controlled buildings.	<i>Exp</i>	493	465	482
		<i>Rev</i>	150	278	479
		<i>NET</i>	343	187	3
Swimming Pools and Beaches	Council operates outdoor pools in Euroa, Nagambie, Violet Town and Avenel.	<i>Exp</i>	462	350	363
		<i>Rev</i>	9	10	20
		<i>NET</i>	453	340	343
Roads and Bridge Maintenance Operations	This service area is responsible for the maintenance of Council's roads and bridges network.	<i>Exp</i>	7,106	6,870	6,723
		<i>Rev</i>	10,607	8,705	5,272
		<i>NET</i>	(3,501)	(1,835)	1,451

#### Major Initiatives

Target major capital works projects to seek funding to reduce Council's costs  
Prioritise and implement the outcomes of the Community Pools Strategy

#### Other Initiatives

Underake condition assessment of Council's public toilets and develop a strategy for progressive improvement  
In partnership with the community support the priorities of the Nagambie Recreation Reserve Master Plan

#### G7 Service Performance Outcome Indicators

Service	Indicator	2017/18 Actual	2018/19 Forecast	2019/20 Budget
Pool Facilities	Utilisation	3.44	3.5	3.5
Roads	Satisfaction	48	48	49

## 2.4 Strategic Objective 4

### Economic Development

#### G6 Services

Service area	Description of services provided		2017/18 Actual \$'000	2018/19 Forecast \$'000	2019/20 Budget \$'000
Planning	The services covers planning applications, advocacy proposals and all regulators compliance on the Shire	<i>Exp</i>	783	805	869
		<i>Rev</i>	250	252	220
		<i>NET</i>	533	553	649
Building	provides statutory building services to the community including processing of building permits, emergency management responsibilities, fire safety inspections, audits of Council buildings and investigations of complaints and illegal works.	<i>Exp</i>	-	536	638
		<i>Rev</i>	86	-	-
		<i>NET</i>	(86)	536	638
Economic Development	This service provides strategic planning and support for the pursuit of economic opportunities in the Shire	<i>Exp</i>	291	413	149
		<i>Rev</i>	-	-	-
		<i>NET</i>	291	413	149
Tourism and Events	Strathbogie Shire has a high tourism profile with broad ranging attractions including, natural environment, water based activities, wineries events and festivals. This service area is responsible for promoting the area generally and supporting local tourism bodies and tourism related events.	<i>Exp</i>	170	461	555
		<i>Rev</i>	18	201	43
		<i>NET</i>	152	260	512
Caravan Parks	Council has control of caravan parks at Nagambie Lakes and Euroa.	<i>Exp</i>	20	23	23
		<i>Rev</i>	30	-	-
		<i>NET</i>	(10)	23	23
Saleyards	This service area refers to the Euroa Saleyards. The saleyards operate on an approximately one sale per month basis.	<i>Exp</i>	131	220	216
		<i>Rev</i>	245	260	268
		<i>NET</i>	(114)	(40)	(52)

#### Major Initiatives

Seek funding and support from Federal and State governments to implement Nagambie Infrastructure Development Business Case  
Review update and resource the Economic Development Master plan and implement priority actions

#### Other Initiatives

Review Rural Land Use Strategy and have these outcomes (including landscape protection) included into the Municipal Strategic Statement

Develop options to facilitate camping at appropriate locations within the Shire

#### G7 Service Performance Outcome Indicators

Service	Indicator	2017/18 Actual	2018/19 Forecast	2019/20 Budget
Statutory planning	Decision Making	0	0	0
Economic Development	Economic activity	NA	NA	NA

## 2.5 Strategic Objective 5

### Organisation

#### G6 Services

Service area	Description of services provided		2017/18 Actual \$'000	2018/19 Forecast \$'000	2019/20 Budget \$'000
Financial and Administration Services	This service area provides financial advice and support to providers of all Council services, including budget preparation, long term financial planning, periodic reporting, processing of debtors and creditors, and statutory financial requirements, including FBT and GST reporting.	<i>Exp</i>	5,015	1,740	1,762
		<i>Rev</i>	16,759	18,962	19,553
		<i>NET</i>	(11,744)	(17,222)	(17,791)
Information Technology	This service maintains and improves Council's information technology systems, ensures compliance with legislation relating to records management including administering and recording all incoming correspondence. This also includes telephones , intranet , photocopiers , aerial photography and geographic information.	<i>Exp</i>	1,265	1,274	1,239
		<i>Rev</i>	-	-	-
		<i>NET</i>	1,265	1,274	1,239
Human Resources and Risk Management	Management of recruitment and induction , occupational health and safety , procedures relating to employment matters , administration of insurances , staff training and development , employee assistance program.	<i>Exp</i>	3,318	905	1,005
		<i>Rev</i>	219	150	-
		<i>NET</i>	3,099	755	1,005
Community Relations	Customer service contact , media , communications , public notices , community surveys , website , marketing and community engagement.	<i>Exp</i>	1,187	1,027	1,007
		<i>Rev</i>	64	6	33
		<i>NET</i>	1,123	1,021	974
Governance and Statutory Services	This service area provides planning and management of a range of statutory services provided by Council, such as building, health, animal management etc	<i>Exp</i>	741	-	-
		<i>Rev</i>	88	2	2
		<i>NET</i>	653	(2)	(2)
Governance	The area of governance includes the Mayor, Councillors, Chief Executive Officer , regulatory reporting , Council elections , compliance with relevant Acts and other Executive Management costs which cannot be easily attributed to the direct service provision areas.	<i>Exp</i>	334	1,301	1,301
		<i>Rev</i>	116	103	-
		<i>NET</i>	218	1,198	1,301

#### Major Initiatives

Prioritize outcomes of ICT Strategy to aid business transformation through finalization of "roadmap"

Improve access to "in the field" software and hardware for key Council functions to improve response times to permit applications and customer queries

#### Other Initiatives

Review Communications and Engagement Strategy in line with pending changes to the Local Government Act

Review Contract Management Process and Guidelines

#### G7 Service Performance Outcome Indicators

Service	Indicator	2017/18 Actual	2018/19 Forecast	2019/20 Budget
Governance	Satisfaction	48	49	50

**G8 2.3 Reconciliation with budgeted operating result**

Strategic Objectives	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Community Wellbeing	2,683	3,604	921
Environment	92	2,866	2,774
Infrastructure	1,797	7,568	5,771
Economic Development	1,919	2,450	531
Organisation	(13,274)	6,314	19,588
<b>Total</b>	<b>(6,783)</b>	<b>22,802</b>	<b>29,585</b>
<b>Expenses added in:</b>			
Depreciation	5,891		
Finance costs	-		
Others	2		
<b>Deficit before funding sources</b>	<b>(890)</b>		
<b>Funding sources added in:</b>			
Rates and charges revenue	-		
Waste charge revenue	-		
<b>Total funding sources</b>	<b>-</b>		
<b>Operating (surplus)/deficit for the year</b>	<b>(890)</b>		

### 3. Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the year 2019/20 has been supplemented with projections to 2022/23 extracted from the Strategic Resource Plan.

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

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

Statement of Human Resources

#### **Pending Accounting Standards**

The 2019-20 budget has been prepared based on the accounting standards applicable at the date of preparation. This means that pending accounting standards that will be in effect from the 2019-20 financial year have not been considered in the development of the budget.

Standards that are likely to impact on the 2019-20 financial statements, not considered in the preparation of the budget include:

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

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

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

**G9 Comprehensive Income Statement**  
For the four years ending 30 June 2023

	NOTES	Forecast	Budget	Strategic Resource Plan Projections		
		Actual 2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000
<b>Income</b>						
Rates and charges	4.1.1	19,100	<b>19,844</b>	20,439	21,052	21,684
Statutory fees and fines	4.1.2	526	<b>530</b>	546	562	579
User fees	4.1.3	921	<b>771</b>	802	834	867
Grants - Operating	4.1.4	6,643	<b>3,316</b>	6,313	6,502	6,697
Grants - Capital	4.1.4	6,701	<b>4,334</b>	2,640	2,048	2,307
Contributions - monetary	4.1.5	423	<b>373</b>	305	314	324
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		(500)	<b>(500)</b>	(500)	(500)	(500)
Other income	4.1.6	668	<b>416</b>	422	428	434
<b>Total income</b>		<b>34,482</b>	<b>29,084</b>	<b>30,967</b>	<b>31,241</b>	<b>32,393</b>
<b>Expenses</b>						
Employee costs	4.1.7	9,814	<b>10,483</b>	10,782	11,089	11,405
Materials and services	4.1.8	11,904	<b>11,488</b>	11,846	11,995	12,355
Depreciation and amortisation	4.1.9	5,800	<b>5,900</b>	5,942	6,017	6,124
Bad and doubtful debts		-	-	-	-	-
Borrowing costs		35	<b>23</b>	-	-	-
Other expenses	4.1.10	295	<b>300</b>	309	318	328
<b>Total expenses</b>		<b>27,848</b>	<b>28,194</b>	<b>28,879</b>	<b>29,419</b>	<b>30,211</b>
<b>Surplus/(deficit) for the year</b>		<b>6,634</b>	<b>890</b>	<b>2,088</b>	<b>1,822</b>	<b>2,181</b>
<b>Total comprehensive result</b>		<b>6,634</b>	<b>890</b>	<b>2,088</b>	<b>1,822</b>	<b>2,181</b>

**G9 Balance Sheet**

For the four years ending 30 June 2023

	NOTES	Forecast	Budget	Strategic Resource Plan		
		Actual 2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	Projections 2021/22 \$'000	2022/23 \$'000
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents		13,613	5,598	4,668	4,769	4,639
Trade and other receivables		2,169	2,168	2,310	2,320	2,407
Inventories		5	5	5	5	5
Other assets		113	113	113	113	113
<b>Total current assets</b>	4.2.1	15,900	7,884	7,095	7,207	7,164
<b>Non-current assets</b>						
Trade and other receivables		2	2	2	2	2
Investments in associates, joint arrangement and subsidiaries		243	243	243	243	243
Property, infrastructure, plant & equipment		294,345	302,126	304,204	305,041	306,414
<b>Total non-current assets</b>	4.2.1	294,590	302,371	304,449	305,286	306,659
<b>Total assets</b>		310,490	310,255	311,545	312,493	313,823
<b>Liabilities</b>						
<b>Current liabilities</b>						
Trade and other payables		2,523	2,523	2,647	2,700	2,779
Trust funds and deposits		468	468	468	468	468
Provisions		3,145	2,895	3,023	3,027	2,971
Interest-bearing liabilities	4.2.3	86	86	49	49	49
<b>Total current liabilities</b>	4.2.2	6,222	5,972	6,186	6,243	6,266
<b>Non-current liabilities</b>						
Provisions		4,697	3,947	2,945	2,063	1,237
Interest-bearing liabilities	4.2.3	282	157	146	97	49
<b>Total non-current liabilities</b>	4.2.2	4,979	4,104	3,091	2,160	1,286
<b>Total liabilities</b>		11,201	10,076	9,277	8,403	7,552
<b>Net assets</b>		299,289	300,179	302,267	304,090	306,271
<b>Equity</b>						
Accumulated surplus		93,624	94,514	96,602	98,425	100,606
Reserves		205,665	205,665	205,665	205,665	205,665
<b>Total equity</b>		299,289	300,179	302,267	304,090	306,271



**G9 Statement of Changes in Equity**  
For the four years ending 30 June 2023

	NOTES	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2019 Forecast Actual</b>					
Balance at beginning of the financial year		292,655	86,990	205,665	
Surplus/(deficit) for the year		6,634	6,634		
<b>Balance at end of the financial year</b>		<b>299,289</b>	<b>93,624</b>	<b>205,665</b>	<b>-</b>
<b>2020 Budget</b>					
Balance at beginning of the financial year		299,289	93,624	205,665	-
Surplus/(deficit) for the year		890	890	-	-
Transfers to other reserves	4.3.1	-	-	-	-
<b>Balance at end of the financial year</b>	4.3.2	<b>300,179</b>	<b>94,514</b>	<b>205,665</b>	<b>-</b>
<b>2021</b>					
Balance at beginning of the financial year		300,179	94,514	205,665	-
Surplus/(deficit) for the year		2,088	2,088	-	-
<b>Balance at end of the financial year</b>		<b>302,267</b>	<b>96,602</b>	<b>205,665</b>	<b>-</b>
<b>2022</b>					
Balance at beginning of the financial year		302,267	96,602	205,665	-
Surplus/(deficit) for the year		1,822	1,822	-	-
<b>Balance at end of the financial year</b>		<b>304,090</b>	<b>98,425</b>	<b>205,665</b>	<b>-</b>
<b>2023</b>					
Balance at beginning of the financial year		304,090	98,425	205,665	-
Surplus/(deficit) for the year		2,181	2,181	-	-
<b>Balance at end of the financial year</b>		<b>306,271</b>	<b>100,606</b>	<b>205,665</b>	<b>-</b>

**G9 Statement of Cash Flows**

For the four years ending 30 June 2023

	Notes	Forecast	Budget	Strategic Resource Plan Projections		
		Actual 2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>						
Rates and charges		19,100	<b>19,844</b>	20,571	21,168	21,763
Statutory fees and fines		526	<b>530</b>	549	565	581
User fees		921	<b>771</b>	807	838	870
Grants - operating		6,567	<b>3,316</b>	6,354	6,538	6,722
Grants - capital		6,777	<b>4,334</b>	2,657	2,059	2,315
Contributions - monetary		423	<b>373</b>	305	314	324
Interest received		234	<b>220</b>	220	220	220
Other receipts		434	<b>(26)</b>	205	211	216
Net GST refund / payment		1,496	<b>1,465</b>	1,725	1,784	1,862
Employee costs		(9,814)	<b>(10,482)</b>	(11,295)	(11,648)	(11,968)
Materials and services		(11,924)	<b>(11,488)</b>	(12,410)	(12,599)	(12,965)
Other payments		(295)	<b>(1,078)</b>	(1,198)	(1,212)	(1,226)
<b>Net cash provided by/(used in) operating activities</b>	4.4.1	14,445	<b>7,779</b>	8,490	8,239	8,715
<b>Cash flows from investing activities</b>						
Payments for property, infrastructure, plant and equipment		(16,466)	<b>(16,120)</b>	(9,702)	(8,418)	(9,127)
Proceeds from sale of property, infrastructure, plant and equipment		1,066	<b>474</b>	330	330	330
<b>Net cash provided by/ (used in) investing activities</b>	4.4.2	(15,400)	<b>(15,646)</b>	(9,372)	(8,088)	(8,797)
<b>Cash flows from financing activities</b>						
Finance costs		(35)	<b>(23)</b>	-	-	-
Repayment of borrowings		(137)	<b>(125)</b>	(49)	(49)	(49)
<b>Net cash provided by/(used in) financing activities</b>	4.4.3	(172)	<b>(148)</b>	(49)	(49)	(49)
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>		(1,127)	<b>(8,015)</b>	(930)	102	(131)
Cash and cash equivalents at the beginning of the financial year		14,740	<b>13,613</b>	5,598	4,668	4,769
<b>Cash and cash equivalents at the end of the financial year</b>		13,613	<b>5,598</b>	4,668	4,769	4,639

**G9 Statement of Capital Works**

For the four years ending 30 June 2023

	NOTES	Forecast	Budget	Strategic Resource Plan Projections		
		Actual 2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000
<b>Property</b>						
Buildings		1,562	2,027	1,970	1,833	1,453
<b>Total buildings</b>		1,562	2,027	1,970	1,833	1,453
<b>Total property</b>		1,562	2,027	1,970	1,833	1,453
<b>Plant and equipment</b>						
Plant, machinery and equipment		897	1,100	704	670	501
Fixtures, fittings and furniture		228	505	225	350	350
Computers and telecommunications		-	-	-	-	-
<b>Total plant and equipment</b>		1,125	1,605	929	1,020	851
<b>Infrastructure</b>						
Roads		8,622	7,017	3,893	3,813	3,867
Bridges		2,046	954	1,000	450	450
Footpaths and cycleways		396	274	303	229	322
Drainage		692	907	333	62	345
Parks, open space and streetscapes		-	1,871	392	246	1,009
Other infrastructure		527	-	-	-	-
<b>Total infrastructure</b>		12,283	11,023	5,921	4,800	5,993
<b>Total capital works expenditure</b>	4.5.1	14,970	14,655	8,820	7,653	8,297
<b>Represented by:</b>						
New asset expenditure		2,433	733	441	383	415
Asset renewal expenditure		9,430	10,478	5,998	6,046	6,887
Asset expansion expenditure		589	-	-	-	-
Asset upgrade expenditure		2,518	3,444	2,381	1,224	996
<b>Total capital works expenditure</b>	4.5.1	14,970	14,655	8,820	7,653	8,297
<b>Funding sources represented by:</b>						
Grants		6,701	4,334	2,640	2,048	2,307
Contributions		423	373	305	314	324
Council cash		7,846	9,948	5,875	5,291	5,666
Borrowings		-	-	-	-	-
<b>Total capital works expenditure</b>	4.5.1	14,970	14,655	8,820	7,653	8,297

**G10 Statement of Human Resources**

For the four years ending 30 June 2023

	Forecast Actual	Budget	Strategic Resource Plan		
	2018/19	2019/20	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	9,814	10,483	10,782	11,089	11,405
<b>Total staff expenditure</b>	<b>9,814</b>	<b>10,483</b>	<b>10,782</b>	<b>11,089</b>	<b>11,405</b>
	FTE	FTE	FTE	FTE	FTE
Employees	103.0	113.0	113.0	113.0	113.0
<b>Total staff numbers</b>	<b>103.0</b>	<b>113.0</b>	<b>113.0</b>	<b>113.0</b>	<b>113.0</b>

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

Department	Budget	Comprises			
		Permanent		Casual	Temporary
		2019/20	Full Time		
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Corporate Leadership	348	348	-	-	-
Innovation and Performance	2,246	1,888	313	45	-
Community Assets	5,533	5,352	140	56	-
Corporate and Community	2,341	2,071	214	-	56
Culture and Leisure	-	-	-	-	-
Total permanent staff expenditure	10,483	9,659	667	101	56
Casuals, temporary and other expenditure	-	-	-	-	-
Capitalised labour costs	-	-	-	-	-
<b>Total expenditure</b>	<b>10,483</b>				

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

Department	Budget	Comprises			
		Permanent		Casual	Temporary
		2019/20	Full Time		
Corporate Leadership	2	2	-	-	-
Innovation and Performance	25	17	7	1	-
Community Assets	64	59	3	2	-
Corporate and Community	22	16	5	0	1
Total permanent staff	113	94	15	3	1
Casuals, temporary and other expenditure	-	-	-	-	-
Capitalised labour costs	-	-	-	-	-
<b>Total staff</b>	<b>113</b>				

#### 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

##### G11 4.1.1 Rates and charges

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

In developing the Strategic Resource Plan, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2019/20 the FGRS cap has been set at 2.5%. 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.

This will raise total rates and charges for 2019/20 to \$19,844,000.

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

	2018-19 Forecast Actual \$'000	2019/20 Budget \$'000	Change \$'000	%
General rates*	14,721	16,245	1,524	10.35%
Municipal charge*	1,825	921	- 904	-49.53%
Waste management charge	2,327	2,484	157	6.75%
Service rates and charges	185	194	9	4.86%
Special rates and charges	42	-	- 42	-100.00%
<b>Total rates and charges</b>	<b>19,100</b>	<b>19,844</b>	<b>744</b>	<b>3.90%</b>

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

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	2018/19 cents/\$CIV*	2019/20 cents/\$CIV*	Change
General rate for rateable residential properties	0.0048300	0.0050194	0.04
General rate for rateable vacant residential properties	0.0084525	0.0087839	0.04
General rate for rateable farm properties	0.0039848	0.0040155	0.01
General rate for rateable commercial properties	0.0057960	0.0060232	0.04
General rate for rateable vacant commercial properties	0.0101430	0.0105407	0.04

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	2018/19	2019/20	Change	
	\$'000	\$'000	\$'000	%
Residential	6,984	7,781	797	11.41%
Farm	6,923	7,571	648	9.36%
Commercial	814	893	79	9.71%
<b>Total amount to be raised by general rates</b>	<b>14,721</b>	<b>16,245</b>	<b>1,524</b>	<b>10.35%</b>

Municipal Charge revenue has reduced 49.54% to offset this increase

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	2018/19	2019/20	Change	
	Number	Number	Number	%
Residential	4,609	4,684	75	1.63%
Residential-Vacant	390	371	-19	-4.87%
Farm	2,231	2,233	2	0.09%
Commercial	309	309	-	0.00%
Commercial-Vacant	7	9	2	28.57%
<b>Total number of assessments</b>	<b>7,546</b>	<b>7,606</b>	<b>60</b>	<b>0.80%</b>

4.1.1(e) The basis of valuation to be used is 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	2018/19	2019/20	Change	
	\$'000	\$'000	\$'000	%
Residential	1,326,309	1,435,181	108,872	8.21%
Residential-Vacant	64,977	65,298	321	0.49%
Farm	1,727,386	1,867,786	140,400	8.13%
Commercial	136,115	144,004	7,889	5.80%
Commercial-Vacant	1,446	1,756	310	21.44%
<b>Total value of land</b>	<b>3,256,233</b>	<b>3,514,025</b>	<b>257,792</b>	<b>7.92%</b>

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

Type of Charge	Per Rateable	Per Rateable	Change	
	Property 2018/19	Property 2019/20	\$	%
Municipal	\$ 266	\$ 133	\$ -133	-50.00%

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

Type of Charge	2018/19	2019/20	Change	
	\$	\$	\$	%
Municipal	1,824,635	920,739	-903,896	-49.54%

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 2018/19	Per Rateable Property 2019/20	Change	
	\$	\$	\$	%
Kerbside Collection- 80Litre	360	375	15	4.17%
Kerbside Collection- 120Litre	360	375	15	4.17%
Kerbside Collection- 240Litre	720	750	30	4.17%
Recycling-120Litre	171	177	6	3.51%
Recycling-240Litre	171	177	6	3.51%
Recycling-360Litre	171	177	6	3.51%
Kerbside/Recycling/Organics	530	552	22	4.15%
Kerbside/Organics	360	375	15	4.17%
Tree Management Service Charge	27	28	1	3.70%

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	2018/19	2019/20	Change	
	\$	\$	\$	%
Kerbside/Recycling/Organics	1,697,939	1,801,271	103,332	6.09%
Kerbside	464,238	506,596	42,358	9.12%
Recycling	165,037	176,447	11,410	6.91%
Tree Management Service Charge	185,409	194,234	8,825	4.76%
<b>Total</b>	<b>2,512,623</b>	<b>2,678,548</b>	<b>165,925</b>	<b>6.60%</b>

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

	2018/19	2019/20	Change	
	\$'000	\$'000	\$'000	%
General Rates	14,721	16,245	1,524	10.35%
Municipal Charges	1,825	921	-904	-49.53%
Kerbside Collection/Recycling/Organics	2,327	2,484	157	6.75%
Tree Management Service Charge	185	194	9	4.86%
List rate/charge	-	-	-	0.00%
Special Rates	42	-	-42	-100.00%
<b>Total Rates and charges</b>	<b>19,100</b>	<b>19,844</b>	<b>744</b>	<b>3.90%</b>

4.1.1(l) Fair Go Rates System Compliance

Strathbogie Shire Council is fully compliant with the State Government's Fair Go Rates System

	2018/19	2019/20
Total Rates	\$ 16,538,067	\$ 16,640,463
Number of rateable properties	7,546	7,513
Base Average Rate	2,192	2,215
Maximum Rate Increase (set by the State Government)	2.25%	2.50%
Capped Average Rate	\$ 2,202	\$ 2,270
Maximum General Rates and Municipal Charges Revenue	\$ 16,626,982	\$ 17,056,475
Budgeted General Rates and Municipal Charges Revenue	\$ 16,416,611	\$ 17,003,571
Budgeted Supplementary Rates	\$ 122,389	\$ 126,370
Budgeted Total Rates and Municipal Charges Revenue	\$ 16,539,000	\$ 17,129,941

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

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

- The making of supplementary valuations
- 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.

#### **G12** 4.1.2 Statutory fees and fines

	Forecast Actual 2018/19 \$'000	Budget 2019/20 \$'000		Change \$'000	%
Land Information Certificates	20	20		-	0.00%
Subdivision Fees	58	20	-	38	-65.52%
Planning Application Fees	200	200		-	0.00%
Building Fees	73	90		17	23.29%
Building Enforcement	1	1		-	0.00%
Animal Registration	95	110		15	15.79%
Health Registrations	79	89		10	12.66%
<b>Total statutory fees and fines</b>	<b>526</b>	<b>530</b>		<b>4</b>	<b>0.76%</b>

Higher subdivision and building fee income is expected due to the level of activity

#### **G12** 4.1.3 User fees

	Forecast Actual 2018/19 \$'000	Budget 2019/20 \$'000		Change \$'000	%
Yard Fees Saleyards Income	273	255	-	18	-6.59%
Debt Collection Expenses Recoverd	93	136		43	46.24%
Tip Fees	148	120	-	28	-18.92%
Lease income	67	57	-	10	-14.93%
Euroa Cinema	60	64		4	6.67%
Cattle Scanning Fees	55	13	-	42	-76.36%
Fire service Property Levy Financial Support	41	26	-	15	-36.59%
Fire Prevention Notice Infringements	26	26		-	0.00%
Septic Tank Fees	20	17	-	3	-15.00%
Truckwash (included in Saleyards income)	20	-	-	20	-100.00%
Visitor Guide	16	-	-	16	-100.00%
Regatta Centre Events	15	25		10	66.67%
Agent Fees- Saleyards	12	13		1	8.33%
Others	75	19	-	56	-74.67%
<b>Total user fees</b>	<b>921</b>	<b>771</b>	<b>-</b>	<b>150</b>	<b>-16.29%</b>



**G13** 4.1.4 Grants

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

	Forecast	Budget	Change	
	Actual 2018/19 \$'000	2019/20 \$'000	\$'000	%
<b>Grants were received in respect of the following:</b>				
Summary of grants				
Commonwealth funded grants	3,705	5,477	1,772	48%
State funded grants	2,323	2,173	150	-6%
<b>Total grants received</b>	<b>6,028</b>	<b>7,650</b>	<b>1,622</b>	<b>27%</b>
<b>(a) Operating Grants</b>				
<b>Recurrent - Commonwealth Government</b>				
Victorian Grant Commission	5,747	2,781	2,966	-52%
Senior Citizens	20	-	20	-100%
Commonwealth Roads of Access	40	-	40	-100%
<b>Recurrent - State Government</b>				
Maternal and Child Health	130	165	35	27%
Youth	145	145	-	0%
School crossing supervisors	27	25	2	-7%
Community Safety	5	3	2	-40%
Municipal Emergency Resources Program	62	60	2	-3%
Pest and Plants Program	55	55	-	0%
PTSD Project		50		
Review Lake Nagambie Speed Limits		15		
Other	357			
Median Strip Subsidy	7	-	7	-100%
<b>Total recurrent grants</b>	<b>6,595</b>	<b>3,299</b>	<b>3,004</b>	<b>-46%</b>
<b>Non-recurrent - Commonwealth Government</b>				
Recycling	13	-	13	-100%
Building Energy Audit	25	17	8	-32%
Recreation	10	-	10	-100%
<b>Total non-recurrent grants</b>	<b>48</b>	<b>17</b>	<b>31</b>	<b>-65%</b>
<b>Total operating grants</b>	<b>6,643</b>	<b>3,316</b>	<b>3,327</b>	<b>-50%</b>
<b>(b) Capital Grants</b>				
<b>Recurrent - Commonwealth Government</b>				
Roads to recovery	930	1,152	222	24%
<b>Total recurrent grants</b>	<b>930</b>	<b>1,152</b>	<b>222</b>	<b>24%</b>
<b>Non-recurrent - State Government</b>				
Roads	3,978	2,161	1,817	-46%
Bridges	140	-	140	-100%
Drains	557	100	457	-82%
Buildings	646	921	275	43%
Recreation	400	-	400	-100%
Local Govt Energy Saver Project	50	-	50	-100%
<b>Total non-recurrent grants</b>	<b>5,771</b>	<b>3,182</b>	<b>2,589</b>	<b>-45%</b>
<b>Total capital grants</b>	<b>6,701</b>	<b>4,334</b>	<b>2,367</b>	<b>-35%</b>
<b>Total Grants</b>	<b>13,345</b>	<b>7,650</b>	<b>5,695</b>	<b>0</b>

**G12** 4.1.5 Contributions

	Forecast	Budget	Change	
	Actual 2018/19 \$'000	2019/20 \$'000	\$'000	%
Monetary	423	373	- 50	-11.82%
Non-monetary	-	-	-	-
<b>Total contributions</b>	<b>423</b>	<b>373</b>	<b>- 50</b>	<b>-11.82%</b>

The reduction in revenue from contributions reflects the lower level of contributions to capital works projects 2019/20

4.1.6 Other income

	Forecast	Budget	Change	
	Actual 2018/19 \$'000	2019/20 \$'000	\$'000	%
Fire Prevention Notice Infringements	60	20	- 40	-66.67%
Interest on Investments	234	220	- 14	-5.98%
Tas Crosbie Trust Income	2	-	2	-100.00%
Interest On Rates	92	70	- 22	-23.91%
Recycling accepting and Sorting	79	40	- 39	-49.37%
Regional Shared Services	-	-	-	0.00%
Diesel Fuel Tax Credit Rebate	60	60	-	0.00%
Insurance Recovery - Income Protection	-	-	-	0.00%
Workcover Salaries Recovered	50	-	50	-100.00%
Community Education	82	-	82	-100.00%
William Pearson Reserve Grants	3	-	3	-100.00%
Miscellaneous Income	6	6	-	0.00%
<b>Total other income</b>	<b>668</b>	<b>416</b>	<b>- 252</b>	<b>-37.72%</b>

**G12** 4.1.7 Employee costs

	Forecast	Budget	Change	
	Actual 2018/19 \$'000	2019/20 \$'000	\$'000	%
Wages and salaries	8,771	9,251	480.00	5.47%
WorkCover	202	206	4.00	1.98%
Superannuation	713	734	21.00	2.95%
Other	128	292	164.00	128.13%
<b>Total employee costs</b>	<b>9,814</b>	<b>10,483</b>	<b>669.00</b>	<b>6.82%</b>

**G12** 4.1.8 Materials and services

	Forecast	Budget	Change	
	Actual 2018/19 \$'000	2019/20 \$'000	\$'000	%
Legal Fees	56	58	2	3.57%
Building & Infrastructure maintenance	3,377	2,853	- 524	-15.52%
Consultancies/Contractors	1,520	2,322	802	52.76%
Community Expenses	815	380	- 435	-53.37%
Councillors Expenses	49	60	11	22.45%
Materials and Other Contract Payments	856	778	- 78	-9.11%
Plant Operating	880	1,045	165	18.75%
Insurance	370	360	- 10	-2.70%
Contractors Labour	20	20	-	0.00%
Utilities	349	381	32	9.17%
Postage	41	30	- 11	-26.83%
Printing & Stationery	130	110	- 20	-15.38%
Advertising and Marketing	161	95	- 66	-40.99%
Information Systems & Communications	698	635	- 63	-9.03%
Staff Training	196	186	- 10	-5.10%
Waste Management	2,386	2,175	- 211	-8.84%
<b>Total materials and services</b>	<b>11,904</b>	<b>11,488</b>	<b>- 416</b>	<b>-3.49%</b>

**G12** 4.1.9 Depreciation and amortisation

	Forecast	Budget	Change	
	Actual 2018/19 \$'000	2019/20 \$'000	\$'000	%
Property	800	870	70	8.75%
Plant & equipment	500	500	-	0.00%
Infrastructure	4,300	4,310	10	0.23%
Furniture and Equipments	200	220	20	10.00%
<b>Total depreciation and amortisation</b>	<b>5,800</b>	<b>5,900</b>	<b>100</b>	<b>1.72%</b>

**G12** 4.1.10 Other expenses

Add additional tables for each material component of the Comprehensive Income Statement

	Forecast	Budget	Change	
	Actual 2018/19 \$'000	2019/20 \$'000	\$'000	%
Councillors' Workcover	4	4	-	0.00%
Audit Fees- External	41	42	1	2.44%
Audit Fees- Internal	34	35	1	2.94%
Bad Debts and Doubtful Debts	1	-	- 1	-100.00%
Councillor/Mayor Allowances	184	186	2	1.09%
Councillor/Mayor Superannuation	18	18	-	0.00%
Councillor Travelling	13	15	2	15.38%
<b>Total other expenses</b>	<b>295</b>	<b>300</b>	<b>5</b>	<b>1.69%</b>

## 4.2 Balance Sheet

### 4.2.1 Assets

Current assets are projected to decrease by \$1.232m . These resources are used to fund capital works and reflects Council's continuing strong commitment to infrastructure asset renewal

### 4.2.2 Liabilities

Notwithstanding the continuing reduction in Council borrowings , liabilities are budgeted to be maintained at current levels

### G14 4.2.3 Borrowings

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

	2018/19		2019/20
	\$		\$
Amount borrowed as at 30 June of the prior year	505		368
Amount proposed to be borrowed	-		-
Amount projected to be redeemed	- 137	-	125
Amount of borrowings as at 30 June	368		243

## 4.3 Statement of changes in Equity

### 4.3.1 Reserves

No material change

### 4.3.2 Equity

The movement in equity reflects the budgeted operating surplus for 2019/20

## 4.4 Statement of Cash Flows

### 4.4.1 Net cash flows provided by/used in operating activities

Net cash provided by operating activities is budgeted to be \$7.779m

### 4.4.2 Net cash flows provided by/used in investing activities

Net cash used in investing activities is budgeted to be \$15.646 m .The capital works program of \$14.655 m and landfill rehabilitation of \$1 m is partially funded from asset sales of \$.474m

### 4.4.3 Net cash flows provided by/used in financing activities

Net cash used by financing activities is budgeted to be \$.148m , comprising \$.125m in loan redemption and \$.023m in loan interest

#### 4.5 Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2019/20 year, classified by expenditure type and funding source.

##### G15 4.5.1 Summary

	Forecast Actual 2018/19	Budget 2019/20	Change	%
	\$'000	\$'000	\$'000	
Property	1,562	<b>1,927</b>	365	<b>23.37%</b>
Plant and equipment	1,125	<b>1,605</b>	480	<b>42.67%</b>
Infrastructure	12,283	<b>11,123</b>	- 1,160	<b>-9.44%</b>
<b>Total</b>	<b>14,970</b>	<b>14,655</b>	- 315	<b>-2.10%</b>

2018/19 included significant amounts for Flood damage repairs to infrastructure

	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	<b>1,927</b>	855	404	327	341	245	51	1,631	-
Plant and equipment	<b>1,605</b>	-	1,605	-	-	30	-	1,575	-
Infrastructure	<b>11,123</b>	1,563	6,684	2,614	262	3,783	185	7,155	-
<b>Total</b>	<b>14,655</b>	<b>2,418</b>	<b>8,693</b>	<b>2,941</b>	<b>603</b>	<b>4,058</b>	<b>236</b>	<b>10,361</b>	<b>-</b>

##### 4.5.2 Current Budget

Capital Works Area	0.010143 \$'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
<b>PROPERTY</b>									
<b>Buildings</b>									
Avenel, Violet Town & Nagambie Pools - replace chlorinators	10	-	10	-	-	-	-	10	-
Euroa Tennis Club - Remove existing cyprus tree & replace	40	-	40	-	-	-	-	40	-
Civic Centre Toilet Upgrade	50	-	-	50	-	-	-	50	-
Toilets Violet Town Lions Park Scoping/Delivery	30	-	-	30	-	-	-	30	-
Toilets Graytown Scoping/Delivery	20	-	-	20	-	-	-	20	-
Euroa RSL Clubroom Expansion - Construction Yr2	150	-	-	-	150	-	-	150	-
St. Johns - Kiss and Go facility on Bury St	36	-	-	-	36	-	-	36	-
Friendlies Reserve area Master Plan	25	-	-	-	25	-	-	25	-
Nagambie Boardwalk	351	351	-	-	-	175	51	125	-
Violet Town Men's Shed	18	-	-	18	-	-	-	18	-
Ruffy Community Centre Kitchen	30	-	-	30	-	-	-	30	-
Violet Town Bowls Club	7	-	7	-	-	-	-	7	-
<b>Building Improvements</b>									
Euroa Saleyards - PA System	50	50	-	-	-	-	-	50	-
Euroa Saleyards - Security System (cameras)	20	20	-	-	-	-	-	20	-
<b>TOTAL PROPERTY</b>	<b>837</b>	<b>421</b>	<b>57</b>	<b>148</b>	<b>211</b>	<b>175</b>	<b>51</b>	<b>611</b>	<b>-</b>
<b>PLANT AND EQUIPMENT</b>									
<b>Plant, Machinery and Equipment</b>									
Plant and Equipment	1,100	-	1,100	-	-	-	-	1,100	-
<b>Fixtures, Fittings and Furniture</b>									
Euroa Theatre Seating	60	-	60	-	-	30	-	30	-
<b>Computers &amp; Telecommunications</b>									
ICT	255	-	255	-	-	-	-	255	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>1,415</b>	<b>-</b>	<b>1,415</b>	<b>-</b>	<b>-</b>	<b>30</b>	<b>-</b>	<b>1,385</b>	<b>-</b>

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
<b>INFRASTRUCTURE</b>									
<b>Roads</b>									
Reseal Program	700	-	700	-	-	640	-	60	-
Shoulders Pavement Program	400	-	400	-	-	-	-	400	-
Rehabilitation Program	500	-	500	-	-	500	-	-	-
Gravel Road Resheeting Program	600	-	600	-	-	-	-	600	-
Fixing Country Roads Program	3,370	-	3,370	-	-	1,880	100	1,390	-
Kerb & Channel	50	-	50	-	-	-	-	50	-
Zero Class Roads Upgrade Program	400	-	-	400	-	-	-	400	-
Shelton Watson Street Corner - Design and Construct	190	-	-	190	-	-	-	190	-
Euroa Council Kirkland Ave Carpark - final seal & line marking	40	-	-	40	-	-	-	40	-
Euroa Tennis Club - Car Park Scoping	5	-	-	5	-	-	-	5	-
Project Management	250	-	-	-	250	-	-	250	-
Euroa Stacksites Clearing - Future Stockpiles of Filling Material	12	-	-	-	12	-	-	12	-
Infrastructure Fund	200	-	200	-	-	-	-	200	-
<b>Bridges</b>									
Bridges & Major Culverts	-	-	-	-	-	-	-	-	-
Avenel - Hughes Creek low level crossing	250	250	-	-	-	-	-	250	-
<b>Footpaths and Cycleways</b>									
Footpaths	46	-	46	-	-	-	-	46	-
Walking Tracks	10	-	10	-	-	-	-	10	-
Watsons St/ Livingston St to Kindergarten north side -Avenel	22	22	-	-	-	-	-	22	-
Rowe Street - Garrett to Frost St subway entrance -Euroa	52	52	-	-	-	-	-	52	-
McGregor Ave - High St (GVHwy) to Tarquin St/Helena Court. (1.5m concrete)	71	71	-	-	-	-	-	71	-
Cowslip St from Hospital to IGA south side widen - V/Town	46	46	-	-	-	-	-	46	-
Footpath Nagambie	7	-	7	-	-	-	-	7	-
<b>Drainage</b>									
Pit & Pipe Replacement Program	60	-	60	-	-	-	-	60	-
Upgrade three existing retarding basins at McGregor Avenue with a pump system (solar).	50	-	-	50	-	-	-	50	-
Review 1 in 5 STAGE storm event of the existing stormwater pipe network.	40	-	-	40	-	-	-	40	-
Boundary Rd South Future Open Drain - Stage 2	100	-	-	100	-	-	-	100	-
Flood Protection Works	80	-	-	80	-	58	-	22	-
Ballantyne Rd Retention Basin design-Nagambie	76	76	-	-	-	-	-	76	-
Town centre outlet to Lake Nagambie.	60	60	-	-	-	-	-	60	-
Bank St Survey & Design -Avenel	50	50	-	-	-	-	-	50	-
<b>Recreational, Leisure &amp; Community Facilities</b>									
Swimming Pool- Euroa	195	61	-	134	-	-	-	195	-
Swimming Pool-V/Town	187	137	-	50	-	-	-	187	-

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
<b>Parks, Open Space and Streetscapes</b>									
Sporting Fields & Courts	10	-	10	-	-	-	-	10	-
Play Space	15	-	15	-	-	-	-	15	-
Open Space Amenities	10	-	10	-	-	-	-	10	-
Streetscapes	10	-	10	-	-	-	-	10	-
Bike Racks	20	-	20	-	-	-	-	20	-
Nagambie Recreation Reserve netball court	150	-	150	-	-	100	25	25	-
Nagambie Recreation Reserve Road seal/carpark	100	-	-	100	-	-	-	100	-
Town Entry Sign Upgrades	30	-	-	30	-	-	-	30	-
E Structure - Weir Gates - Flood Damage Prevention Measures	15	-	-	15	-	-	-	15	-
E Structure - Weir Gates - OHS Repairs and Maintenance Measures	20	-	-	20	-	-	-	20	-
Watering System Violet Town Recreation Reserve	40	-	-	40	-	-	-	40	-
Irrigation Nagambie	25	-	-	25	-	-	-	25	-
GT Building - Graytown Community Hub - Upgrade access ramp to meet appropriate standard/ Replace flashing and guttering	9	-	-	9	-	-	-	9	-
N Building - Nagambie Regatta Centre Conference Room Upgrades	43	-	-	43	-	-	-	43	-
Openspace /Play Recreation frame work - Nagambie	450	-	-	450	-	225	-	225	-
Play & Recreation- Violet Town	80	-	-	80	-	-	-	80	-
Memorial Oval Exercise stations	50	50	-	-	-	-	-	50	-
Graytown Solar panels	23	23	-	-	-	-	-	23	-
Nagambie Oval Upgrade additional funds	150	-	-	150	-	50	-	100	-
Pavilion additional funds (income -20 spend -80)	100	-	-	100	-	-	-	100	-
Strathbogrie Rec Reserve Pizza Oven cover	3	3	-	-	-	-	-	3	-
<b>TOTAL INFRASTRUCTURE</b>	<b>9,471</b>	<b>900</b>	<b>6,158</b>	<b>2,151</b>	<b>262</b>	<b>3,453</b>	<b>125</b>	<b>5,893</b>	<b>-</b>
<b>TOTAL NEW CAPITAL WORKS</b>	<b>11,723</b>	<b>1,321</b>	<b>7,630</b>	<b>2,299</b>	<b>473</b>	<b>3,658</b>	<b>176</b>	<b>7,889</b>	<b>-</b>

#### 4.5.3 Works carried forward from the 2018/19 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
<b>PROPERTY</b>									
<b>Buildings</b>									
300011 Nagambie Bowls Club - Carpet	120	-	120	-	-	-	-	120	-
350004 Nagambie High St Toilets	370	370	-	-	-	-	-	370	-
350005 Environmental solar power Civic Centre	45	45	-	-	-	-	-	45	-
350006 Euroa Civic Centre: Roof cladding Stage 2	80	-	80	-	-	-	-	80	-
350008 Euroa Visitor Info Centre	130	-	-	-	130	-	-	130	-
350009 Nagambie Recreation Reserve	170	-	-	170	-	70	-	100	-
350010 Violet Town Rec Reserve Football/Netball	127	-	127	-	-	-	-	127	-
350014 Building - Euroa Saleyards - Sprinkler System	10	10	-	-	-	-	-	10	-
350021 Nagambie Senior Citizens - Shade Sail	9	9	-	-	-	-	-	9	-
350027 Euroa Saleyards: Truck Wash relocation scoping	20	-	20	-	-	-	-	20	-
350028 Strathbogrie Rec Res scope pavillion upgrade	9	-	-	9	-	-	-	9	-
<b>TOTAL PROPERTY</b>	<b>1,090</b>	<b>434</b>	<b>347</b>	<b>179</b>	<b>130</b>	<b>70</b>	<b>-</b>	<b>1,020</b>	<b>-</b>
<b>PLANT AND EQUIPMENT</b>									
<b>Computers and Telecommunications</b>									
370003 Hardware Replacement Program	190	-	190	-	-	-	-	190	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>190</b>	<b>-</b>	<b>190</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>190</b>	<b>-</b>

	Asset expenditure types					Summary of Funding Sources			
	Project Cost	New	Renewal	Upgrade	Expansion	Grants	Contrib.	Council cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INFRASTRUCTURE</b>									
<b>Roads</b>									
300008 Nagambie Streetscape - furniture	13		13						13
330006 Birkett St Railway Pedestrian Crossing	189			189					189
330009 Ewings/Livingstone	7	7							7
330015 Town Entry Signs Nagambie	30		30						30
330040 Avenel Primary School scope parking solution	10	10							10
320006 Clifton St - Kirkland Ave to Binney St	26		26						26
320007 Gobur St - from Turnbull St	25		25						25
<b>Bridges</b>									
300009 Friendlies Reserve to Memorial Oval	395	395				200			195
310009 Moorbool Road - Bridge No. 134 (Replace)	100		100						100
310012 Wattlevale Road - Bridge No. 74	100		100						100
310014 Harrys Creek Rd @ Ch 4.705: Culvert 349	63		63						63
310016 Tarcombe Road - Major Culvert No. 497	20		20						20
310017 Upton Rd: Concrete lining Culvert 505	17		17						17
320033 Pedestrian Bridge Design	6	6							6
320034 Avenel Pedestrian Footbridge	4	4							4
<b>Footpaths and Cycleways</b>									
320011 Access to Balmattum Hill track	20	-	20	-	-	-	-	20	-
<b>Drainage</b>									
320005 Create Easements for Flood Levees	15	15							15
320016 Scobie Street Catchment - Construct open drain	20	20							20
320018 Boundary Rd South Future Open Drain	38	38							38
320019 Pit & Pipe Replacement Program	40		40						40
320021 Flood Investigation Outcomes	10			10					10
320025 Euroa - Augment Castle Creek Levee	143			143		120			23
320029 Nagambie Industrial Area Scoping & Drainage	68	68							68
320030 Small Towns Wastewater Management Plan	10		10						10
320031 Stormwater Drain Survey	15		15						15
320032 Nagambie Waste Management Scheme	20		20						20
320036 Town Maintenance Do not use Operational	12		12						12
<b>Recreational, Leisure &amp; Community Facilities</b>									
300005 Shadforth Reserve Master Plan	40			40					40
300006 Nagambie Rec Reserve: Irrigation Supply	60	60							60
300013 Friendlies Reserve Development	67			67		10	60	-	3
300020 Artwork Nagambie Water Tower	20	20							20
300022 Nagambie Bowls Club - contribution to new green	15			15					15
300024 Active Program	20	20							20
300028 Tree Management Projects	15		15						15
<b>TOTAL INFRASTRUCTURE</b>	<b>1,652</b>	<b>663</b>	<b>526</b>	<b>463</b>	<b>-</b>	<b>330</b>	<b>60</b>	<b>1,262</b>	<b>-</b>
<b>TOTAL CARRIED FORWARD CAPITAL WORKS 2018/19</b>	<b>2,932</b>	<b>1,097</b>	<b>1,063</b>	<b>642</b>	<b>130</b>	<b>400</b>	<b>60</b>	<b>2,472</b>	<b>-</b>



## G16 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.

Indicator	Measure	Notes	Actual	Forecast	Budget	Strategic Resource Plan Projections			Trend
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	+/-
<b>Operating position</b>									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-6.30%	1.60%	1.80%	5.80%	4.90%	5.80%	+
<b>Liquidity</b>									
Working Capital	Current assets / current liabilities	2	278.10%	255.50%	132.00%	114.70%	115.40%	114.30%	o
Unrestricted cash	Unrestricted cash / current liabilities	3	138.10%	211.30%	85.90%	67.90%	68.90%	66.60%	o
<b>Obligations</b>									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	3.70%	1.90%	1.20%	1.00%	0.70%	0.40%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		3.10%	0.90%	0.70%	0.20%	0.20%	0.20%	+
Indebtedness	Non-current liabilities / own source revenue		30.10%	24.00%	19.50%	14.20%	9.70%	5.60%	+
Asset renewal	Asset renewal expenses / Asset depreciation	5	147.90%	162.60%	177.60%	100.90%	100.50%	112.50%	-
<b>Stability</b>									
Rates concentration	Rate revenue / adjusted underlying revenue	6	62.20%	67.50%	69.10%	66.70%	68.10%	67.60%	-
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.60%	0.70%	0.70%	0.70%	0.70%	0.70%	o
<b>Efficiency</b>									
Expenditure level	Total expenses/ no. of property assessments		\$3,814	\$3,690	\$3,707	\$3,781	\$3,857	\$3,934	+
Revenue level	Residential rate revenue / no. of residential property assessments		\$1,672	\$1,712	\$1,739	\$1,767	\$1,796	\$1,796	+
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		%	%	%	%	%	%	+

### 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