

# Annual Budget

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**2020/21**  
**Strathbogie Shire**



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## Mayor's Introduction

Following presentation of the 2020/21 Strathbogie Shire Council Draft Budget in May and subsequent community consultation, Council is proud to release its proposed final Budget.

The Draft Budget generated much debate, deliberation and most importantly input from our community.

We are pleased to deliver a Budget firmly focussed on supporting our community through the coronavirus (COVID-19) pandemic.

Our community has not been shy on its need for support during this challenging time.

Coronavirus has hit us hard. Our region has experienced job losses, staff being stood down and businesses being forced to close.

We have heard our community is hurting and believe our 2020/21 Budget delivers on its calls for support.

Our Budget is now proposed with a zero rate rise in the average rate per property.

Please remember rate outcomes for individual properties will still vary, depending on how that property's independent valuation has changed.

In recognition of challenges faced by a number of our businesses, fees for registered premises have also been set at zero and we will refund fees for the 2019/20 year.

This will also apply to footpath trading fees.

We have also heard our community's calls to prioritise capital works.

We listened, asked for more time to deliberate, and this Budget outlines a capital works program that focuses on crucial projects for 2020/21. At the same time it provides significant funding for renewal works on our aging and outdated infrastructure.

The 2020/21 Budget provides for \$10.005 million in capital works with the following highlights:

ACTIVITY	EXPENDITURE
Roads - including resealing, re sheeting and rehabilitation	4,424,000
Road Bridges and Culverts	450,000
Drainage	440,000
Aquatic Facilities	314,000
Footpaths	166,000
Plant and Machinery	1,262,000
Buildings/Property	864,000
Information Technology	570,000
Parks, Open, Spaces and Streetscapes	1,515,000

In addition to the four year period covered by this Budget the Long Term Financial Plan has been extended to cover a 10-year period which allows for a total expenditure over that time of \$ 94.31 million including:

ACTIVITY	EXPENDITURE
Recreation and leisure facilities including aquatics	5,249,000
Rehabilitation of the Violet Town Land fill	5,000,000
Roads	45,589,000
Buildings, Recreation, Open Spaces	11,602,000
Road Bridges and Culverts	4,113,000
Footpaths	3,063,000
Drainage	5,464,000
Plant and equipment renewal	10,160,000
Information Technology	4,071,000

As outlined in section two of this document, the 2020/21 Budget provides for an expenditure of \$25.3 million on services.

This includes important services such as libraries, waste management, maintenance of roads, parks and gardens, animal management, maternal and child health, swimming pools and the arts and culture.

We are also listening to our community's call to rally a sense of community by creating events, art and business opportunities.

Included in this Budget is funding received through the Victorian Government's Working for Victoria Project which will generate opportunities for us to Reset, Reboot and Revitalise our community.

Finally, I want to thank all those who gave their time to participate in the 2020/21 Budget process.

By working together, we can and will, deliver great things for our community.

Thank you.

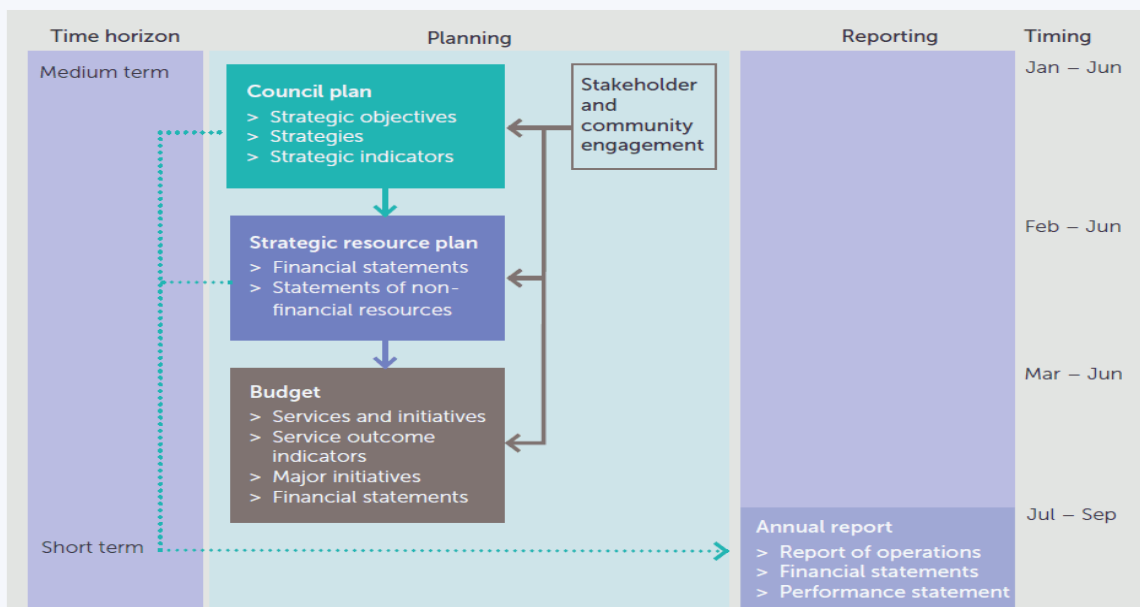
Amanda McClaren  
**Mayor**

## 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).

### 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

Feeding in 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.

The timing of each component of the planning 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.

## 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"*

### Our values

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

## 1.3 Strategic objectives

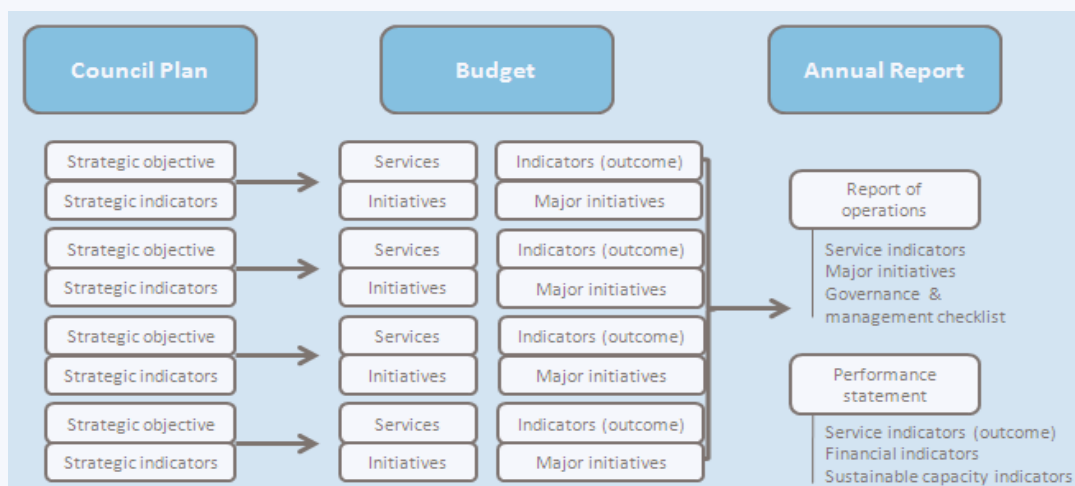
*Following Strategic objectives are major pillar of the Council plan*

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



## 2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2020/21 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

#### Services

Service area	Description of services provided		2018/19 Actual \$'000	2019/20 Forecast \$'000	2020/21 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.	Exp	146	159	183
		Rev	(96)	(34)	(39)
		NET	50	125	144
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.	Exp	184	244	183
		Rev	(86)	(34)	(39)
		NET	98	210	144
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.	Exp	283	276	296
		Rev	(100)	-	-
		NET	183	276	296



Community Grants and Recreational Planning	This service provides funding for the development of community facilities and activities.	Exp	14	20	181
		Rev	(3)	(3)	(3)
		NET	11	17	178
Maternal and Child Health	0.0084525	Exp	265	391	249
		Rev	(240)	(230)	(278)
		NET	25	161	(29)
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.	Exp	212	242	246
		Rev	(107)	(121)	(92)
		NET	106	121	154
Street Lighting	This service enhances public safety and community access by providing street lighting in urban areas.	Exp	127	140	145
		Rev	-	-	-
		NET	127	140	145
Parks and Reserves	This service is responsible for the management, maintenance and safety of parks and gardens, sporting grounds and playground facilities.	Exp	1,604	1,651	2,519
		Rev	(63)	-	-
		NET	1,541	1,651	2,519
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.	Exp	131	89	106
		Rev	(4)	(19)	(24)
		NET	127	70	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.	Exp	403	452	401
		Rev	(240)	(115)	(45)
		NET	164	338	355
Emergency Services	This service includes financial assistance for the SES service, fire prevention activities and flood risk planning and mitigation.	Exp	179	618	128
		Rev	(92)	(595)	(129)
		NET	87	23	()
School Crossing Supervision	This program provides supervision of school crossings in Euroa and Nagambie before and after school hours.	Exp	60	60	60
		Rev	(24)	(24)	(25)
		NET	36	36	35

## Major Initiatives

Work with the Strathbogie Health and Community Services Consortium to determine future direction  
Undertake self assessment under Workplace Equality and Respect Standards

## Other

### Initiatives

Review parking arrangements at Avenel Pre-School and Maternal and Child Health  
Continue to review and implement priorities from the Walking Tracks and Trails Strategy

## Service Performance Outcome Indicators

Service	Indicator	2018/19 Actual	2019/20 Forecast	2020/21 Budget
Libraries and Arts	Participation	23	24	24
Maternal and Child Health	Participation	74	80	80
Animal Management	Health and safety	0	0	0
Environmental Health	Health and safety	NA	0	0

\* refer to table at end of section 2.2 for information on the calculation of Service Performance Outcome Indicators

## 2.2 Strategic Objective 2

### Environment

### Services

Service area	Description of services provided		2018/19 Actual \$'000	2019/20 Forecast \$'000	2020/21 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.	Exp	344	306	238
		Rev	(141)	(122)	(61)
		NET	203	184	176
Waste Management	This service includes kerbside garbage and recycling collections, transfer station operations and waste management of public areas.	Exp	2,633	2,716	3,064
		Rev	(333)	(223)	(150)
		NET	2,300	2,492	2,914

## Major Initiatives

Continue to support Landcare groups and Catchment Management Networks to target weed and pest animal management on roadsides  
Complete Work with Event organisers to implement Zero Waste events

## Other

### Initiatives

Support sustainable energy initiatives in the Strathbogie Shire in conjunction with the Sustainable Development Reference Group Ongoing  
Implement initiatives contained within the Sustainable Strathbogie 2030 Plan

## Service Performance Outcome Indicators

Service	Indicator	2018/19 Actual	2019/20 Forecast	2020/21 Budget
Waste Management	Waste diversion	70	70	70

\* refer to table at end of section 2.2 for information on the calculation of Service Performance Outcome Indicators

## 2.3 Strategic Objective 3

### Infrastructure

#### Services

Service area	Description of services provided		2018/19 Actual \$'000	2019/20 Forecast \$'000	2020/21 Budget \$'000
Municipal Buildings	This service area is responsible for the maintenance of Council owned and controlled buildings.	Exp	1,107	1,024	1,374
		Rev	(191)	(208)	(198)
		NET	916	815	1,176
Swimming Pools and Beaches	Council operates outdoor pools in Euroa, Nagambie, Violet Town and Avenel.	Exp	275	529	331
		Rev	(23)	(14)	(20)
		NET	252	515	311
Roads and Bridge Maintenance Operations	This service area is responsible for the maintenance of Council's roads and bridges network.	Exp	7,776	6,315	6,471
		Rev	(9,175)	(7,353)	(6,103)
		NET	(1,399)	(1,038)	369

#### Major Initiatives

Review Council Asset list to ensure ongoing need

Complete survey and design for footpaths, kerb and channelling and parking at the east end of Bank ,Belmont , Queen Street Avenel

#### Other

#### Initiatives

Target major capital works projects to seek government funding to reduce Council's costs

Progress review of Nagambie Growth Management Plan

#### Service Performance Outcome Indicators

Service	Indicator	2018/19 Actual	2019/20 Forecast	2020/21 Budget
Pool Facilities	Utilisation	2.9	2.5	3
Roads	Satisfaction	51	52	53

## 2.4 Strategic Objective 4

### Economic Development

#### Services

Service area	Description of services provided		2018/19 Actual \$'000	2019/20 Forecast \$'000	2020/21 Budget \$'000
Planning	The services covers planning applications, advocacy on developments proposals and all regulators compliance on the Shire	Exp	591	655	857
		Rev	(292)	(269)	(252)
		NET	299	385	605

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.	Exp	129	187	233
		Rev	(77)	(55)	(92)
		NET	52	132	141
Economic Development	This service provides strategic planning and support for the pursuit of economic opportunities in the Shire	Exp	138	168	298
		Rev	-	(25)	(26)
		NET	138	142	272
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.	Exp	477	603	512
		Rev	(137)	(147)	(5)
		NET	340	456	507
Caravan Parks	Council has control of caravan parks at Nagambie Lakes and Euroa.	Exp	17	53	28
		Rev	(91)	(57)	(85)
		NET	(74)	(4)	(57)
Saleyards	This service area refers to the Euroa Saleyards. The saleyards operate on an approximately one sale per month basis.	Exp	153	172	220
		Rev	(305)	(233)	(273)
		NET	(152)	(60)	(53)

### Major Initiatives

Promote local businesses through a Bi Annual Business Awards program  
Support and engage with local representative business groups

### Other Initiatives

Review results of Longwood free camping trial and implement recommendations  
Partner with business groups to develop support programs

### Service Performance Outcome Indicators

Service	Indicator	2018/19 Actual	2019/20 Forecast	2020/21 Budget
Statutory planning	Decision Making	55	56	57
Economic Development	Economic activity	NA	NA	NA

## 2.5 Strategic Objective 5

### Organisation

#### Services

Service area	Description of services provided		2018/19 Actual \$'000	2019/20 Forecast \$'000	2020/21 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.	Exp	2,299	1,673	1,948
		Rev	(4,524)	(3,007)	(6,197)
		NET	(2,224)	(1,334)	(4,249)
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.	Exp	918	1,053	1,159
		Rev	-	-	-
		NET	918	1,053	1,159
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.	Exp	508	1,076	1,002
		Rev	(93)	-	-
		NET	415	1,076	1,002
Community Relations	Customer service contact , media , communications , public notices , community surveys , website , marketing and community engagement.	Exp	825	873	1,239
		Rev	(3)	(3)	(3)
		NET	822	870	1,236
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.	Exp	328	284	437
		Rev	(4)	(6)	(12)
		NET	324	278	424

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>	953	677	647
		<i>Rev</i>	-	-	-
		<b>NET</b>	953	677	647

### Major Initiatives

Continue to enhance customer experiences through ongoing development of customer  
Develop framework for service planning inclusive of community consultation

### Other

#### Initiatives

Continue to explore opportunities through collaboration with other Councils in service delivery  
Prioritise outcomes of ICT strategy to aid business transformation through finalization of "Roadmap"

### Service Performance Outcome Indicators

Service	Indicator	2018/19 Actual	2019/20 Forecast	2020/21 Budget
Governance	Satisfaction	55	56	57

## 2.6 Reconciliation with budgeted operating result

	Net Cost (Revenue)	Expenditure	Revenue
	\$'000	\$'000	\$'000
Community Wellbeing	4,256	4,996	(740)
Environment	3,091	3,302	(211)
Infrastructure	1,855	8,176	(6,321)
Economic Development	1,415	2,148	(733)
Organisation	217	6,429	(6,212)
<b>Total</b>	<b>10,834</b>	<b>25,051</b>	<b>(14,217)</b>
<b>Expenses added in:</b>			
Depreciation	5,835		
Finance costs	20		
Others (Impact of changes in AASB)	253		
<b>Deficit before funding sources</b>	<b>16,942</b>		
<b>Funding sources added in:</b>			
Rates and charges revenue	17,686		
Waste charge revenue	2,624		
<b>Total funding sources</b>	<b>20,309</b>		
<b>Operating (surplus)/deficit for the year</b>	<b>(3,368)</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 2020/21 has been supplemented with projections to 2023/24 extracted from the Strategic Resource Plan.

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

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

#### Pending Accounting Standards

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

Standards that are likely to impact on the 2020-21 financial statements, not considered in the preparation of the budget include:  
*AASB 1059 Service Concession Arrangements: Grantors*

## Comprehensive Income Statement

For the four years ending 30 June 2024

		Forecast Actual	Budget	Strategic Resource Plan Projections		
		2019/20	2020/21	2021/22	2022/23	2023/24
NOTES		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>						
Rates and charges	4.1.1	19,823	19,942	20,441	20,952	21,475
Statutory fees and fines	4.1.2	392	494	604	622	641
User fees	4.1.3	619	602	626	651	677
Grants - Operating	4.1.4	4,050	8,416	6,584	6,791	7,007
Grants - Capital	4.1.4	5,916	5,214	2,315	1,840	2,240
Contributions - monetary	4.1.5	494	275	314	324	333
Contributions - non-monetary	4.1.5	-	-	-	-	-
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		(184)	(839)	(617)	(643)	(600)
Fair value adjustments for investment property		-	-	-	-	-
Share of net profits/(losses) of associates and joint ventures		-	-	-	-	-
Other income	4.1.6	517	424	431	439	447
<b>Total income</b>		31,627	34,528	30,698	30,975	32,220
<b>Expenses</b>						
Employee costs	4.1.7	10,051	12,167	10,837	11,108	11,382
Materials and services	4.1.8	11,944	12,581	12,175	12,439	12,657
Depreciation	4.1.9	5,900	5,835	6,095	6,278	6,398
Amortisation - intangible assets	4.1.10	-	-	-	-	-
Amortisation - right of use assets	4.1.11	187	227	176	182	179
Bad and doubtful debts		1	1	-	-	-
Borrowing costs		30	20	110	99	88
Finance Costs - leases		26	26	19	13	7
Other expenses	4.1.12	280	303	380	396	421
<b>Total expenses</b>		28,419	31,160	29,793	30,515	31,132
<b>Surplus/(deficit) for the year</b>		3,208	3,368	905	459	1,088
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to surplus or deficit in future periods</b>						
Net asset revaluation increment /(decrement)		-	-	-	-	-
Share of other comprehensive income of associates and joint ventures		-	-	-	-	-
<b>Items that may be reclassified to surplus or deficit in future periods (detail as appropriate)</b>		-	-	-	-	-
<b>Total comprehensive result</b>		3,208	3,368	905	459	1,088

## Balance Sheet

For the four years ending 30 June 2024

		Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000	Strategic Resource Plan Projections 2021/22 2022/23 2023/24 \$'000 \$'000 \$'000		
NOTES						
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents		15,144	12,689	4,987	4,994	5,995
Trade and other receivables		2,027	2,228	2,374	2,374	2,434
Other financial assets		-	-	-	-	-
Inventories		5	5	5	5	5
Non-current assets classified as held for sale		-	-	-	-	-
Other assets		113	113	113	113	113
<b>Total current assets</b>	4.2.1	17,289	15,035	7,479	7,487	8,547
<b>Non-current assets</b>						
Trade and other receivables		877	651	651	651	651
Other financial assets						
Investments in associates, joint arrangement and subsidiaries		243	243	243	243	243
Property, infrastructure, plant & equipment		299,664	307,876	312,302	312,821	313,045
Right-of-use assets	4.2.4	875	649	473	290	112
Investment property		-	-	-	-	-
Intangible assets		-	-	-	-	-
<b>Total non-current assets</b>	4.2.1	301,659	309,419	313,669	314,005	314,051
<b>Total assets</b>		318,948	324,454	321,148	321,492	322,598
<b>Liabilities</b>						
<b>Current liabilities</b>						
Trade and other payables		5,951	2,873	2,968	2,968	3,043
Trust funds and deposits		468	468	468	468	468
Provisions - Employee benefits		2,336	2,350	2,410	2,477	2,546
Provisions - Other		1,000	1,000	101	101	101
Interest-bearing liabilities	4.2.3	81	385	391	396	307
Lease liabilities	4.2.4	226	176	182	179	106
<b>Total current liabilities</b>	4.2.2	10,062	7,252	6,519	6,588	6,571
<b>Non-current liabilities</b>						
Provisions - Employee benefits		240	280	341	395	451
Provisions - Other		4,356	5,916	4,699	398	398
Interest-bearing liabilities	4.2.3	287	4,903	4,512	4,116	3,809
Lease liabilities	4.2.4	649	473	291	111	6
<b>Total non-current liabilities</b>	4.2.2	5,532	11,572	9,842	5,020	4,664
<b>Total liabilities</b>		15,594	18,824	16,362	11,608	11,234
<b>Net assets</b>		303,354	305,630	304,786	309,883	311,364
<b>Equity</b>						
Accumulated surplus		96,597	99,965	100,870	101,330	102,417
Reserves		206,757	205,665	203,916	208,554	208,946
<b>Total equity</b>		303,354	305,630	304,786	309,883	311,364

## Statement of Changes in Equity

For the four years ending 30 June 2024

		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	NOTES	\$'000	\$'000	\$'000	\$'000
<b>2020 Forecast Actual</b>					
Balance at beginning of the financial year		300,146	93,389	206,757	-
Impact of adoption of new accounting standards		-	-	-	-
Adjusted opening balance		300,146	93,389	206,757	-
Surplus/(deficit) for the year		3,208	3,208	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
<b>Balance at end of the financial year</b>		<b>303,354</b>	<b>96,597</b>	<b>206,757</b>	<b>-</b>
<b>2021 Budget</b>					
Balance at beginning of the financial year		302,262	96,597	205,665	-
Surplus/(deficit) for the year		3,368	3,368	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves	4.3.1	-	-	-	-
Transfers from other reserves	4.3.1	-	-	-	-
<b>Balance at end of the financial year</b>	4.3.2	<b>305,630</b>	<b>99,965</b>	<b>205,665</b>	<b>-</b>
<b>2022</b>					
Balance at beginning of the financial year		305,630	99,965	205,665	-
Surplus/(deficit) for the year		905	905	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves		(1,749)	-	(1,749)	-
Transfers from other reserves		-	-	-	-
<b>Balance at end of the financial year</b>		<b>304,786</b>	<b>100,870</b>	<b>203,916</b>	<b>-</b>
<b>2023</b>					
Balance at beginning of the financial year		304,786	100,870	203,916	-
Surplus/(deficit) for the year		459	459	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves		4,638	-	4,638	-
Transfers from other reserves		-	-	-	-
<b>Balance at end of the financial year</b>		<b>309,883</b>	<b>101,330</b>	<b>208,554</b>	<b>-</b>
<b>2024</b>					
Balance at beginning of the financial year		309,883	101,330	208,554	-
Surplus/(deficit) for the year		1,088	1,088	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves		393	-	393	-
Transfers from other reserves		-	-	-	-
<b>Balance at end of the financial year</b>		<b>311,364</b>	<b>102,417</b>	<b>208,946</b>	<b>-</b>

## Statement of Cash Flows

For the four years ending 30 June 2024

Notes	Forecast	Budget	Strategic Resource Plan Projections		
	Actual				
	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
Rates and charges	19,823	19,942	20,441	20,951	21,475
Statutory fees and fines	525	494	604	622	641
User fees	791	602	626	651	677
Grants - operating	7,688	4,778	6,584	6,791	7,006
Grants - capital	7,761	5,214	2,315	1,840	2,240
Contributions - monetary	494	275	314	324	333
Interest received	170	180	180	180	180
Dividends received	-	-	-	-	-
Trust funds and deposits taken	-	-	-	-	-
Other receipts	347	244	250	259	265
Net GST refund / payment	1,082	1,473	1,532	728	703
Employee costs	(10,051)	(12,167)	(10,666)	(10,972)	(11,240)
Materials and services	(11,944)	(12,581)	(12,127)	(12,439)	(12,657)
Short-term, low value and variable lease payments	-	-	-	-	-
Trust funds and deposits repaid	-	-	-	-	-
Other payments	(281)	(304)	(596)	(589)	(606)
<b>Net cash provided by/(used in) operating activities</b> 4.4.1	16,405	8,150	9,456	8,344	9,018
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	(11,905)	(16,202)	(16,847)	(8,004)	(7,734)
Proceeds from sale of property, infrastructure, plant and equipment	187	698	183	157	200
Payments for investments	-	-	-	-	-
Proceeds from sale of investments	-	-	-	-	-
Loan and advances made	-	-	-	-	-
Payments of loans and advances	-	-	-	-	-
<b>Net cash provided by/ (used in) investing activities</b> 4.4.2	(11,718)	(15,504)	(16,664)	(7,847)	(7,534)
<b>Cash flows from financing activities</b>					
Finance costs	(23)	(20)	(110)	(99)	(88)
Proceeds from borrowings	-	5,000	-	-	-
Repayment of borrowings	(136)	(81)	(385)	(391)	(396)
Interest paid - lease liability	-	-	-	-	-
Repayment of lease liabilities	-	-	-	-	-
<b>Net cash provided by/(used in) financing activities</b> 4.4.3	(159)	4,899	(495)	(490)	(484)
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	4,528	(2,455)	(7,703)	8	1,000
Cash and cash equivalents at the beginning of the financial year	10,616	15,144	12,689	4,987	4,994
<b>Cash and cash equivalents at the end of the financial year</b>	15,144	12,689	4,987	4,994	5,995

**Statement of Capital Works**  
For the four years ending 30 June 2024

	NOTES	Forecast Actual	Budget	Strategic Resource Plan Projections		
		2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000
<b>Property</b>						
Land improvements		-	-	5,000	-	-
<b>Total land</b>		-	-	5,000	-	-
Buildings		1,157	978	1,407	534	440
<b>Total buildings</b>		1,157	978	1,407	534	440
<b>Total property</b>		1,157	978	6,407	534	440
<b>Plant and equipment</b>						
Heritage plant and equipment		-	-	-	-	-
Plant, machinery and equipment		1,337	1,262	904	1,148	752
Fixtures, fittings and furniture		-	-	-	-	-
Computers and telecommunications		315	570	350	350	357
Library books		-	-	-	-	-
<b>Total plant and equipment</b>		1,652	1,832	1,254	1,498	1,109
<b>Infrastructure</b>						
Roads		5,629	6,613	5,015	3,491	3,507
Bridges		247	513	200	250	450
Footpaths and cycleways		293	378	600	347	131
Drainage		541	1,031	377	229	140
Recreational, leisure and community facilities		157	1,332	1,074	123	280
Parks, open space and streetscapes		1,147	2,827	388	804	974
<b>Total infrastructure</b>		8,014	12,694	7,654	5,244	5,482
<b>Total capital works expenditure</b>	4.5.1	10,823	15,504	15,315	7,276	7,031
<b>Represented by:</b>						
New asset expenditure		1,966	2,296	1,311	1,557	1,170
Asset renewal expenditure		6,974	9,559	11,339	4,196	4,331
Asset expansion expenditure		1,237	2,507	2,215	1,123	1,130
Asset upgrade expenditure		646	1,142	450	400	400
<b>Total capital works expenditure</b>	4.5.1	10,823	15,504	15,315	7,276	7,031
<b>Funding sources represented by:</b>						
Grants		5,916	5,214	2,515	1,840	2,440
Contributions		492	-	305	314	324
Council cash		4,415	10,290	7,495	5,122	4,267
Borrowings		-	-	5,000	-	-
<b>Total capital works expenditure</b>	4.5.1	10,823	15,504	15,315	7,276	7,031

## Statement of Human Resources

For the four years ending 30 June 2024

	Forecast Actual	Budget	Strategic Resource Plan Projections		
	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	10,051	12,167	10,837	11,108	11,382
Employee costs - capital	-	-	-	-	-
<b>Total staff expenditure</b>	10,051	12,167	10,837	11,108	11,382
	FTE	FTE	FTE	FTE	FTE
<b>Staff numbers</b>					
Employees	113.0	161.5	119.0	119.0	119.0
<b>Total staff numbers</b>	113.0	161.5	119.0	119.0	119.0

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

Department	Budget 2020/21 \$'000	Comprises			
		Permanent		Casual	Temporary
		Full Time \$'000	Part time \$'000	\$'000	\$'000
Corporate Leadership	2,387	1,612	738	37	-
Corporate Operations	6,191	4,442	1,512	237	-
Community & Planning	3,589	2,331	1,198	15	45
<b>Total permanent staff expenditure</b>	12,167	8,385	3,448	289	45
Casuals, temporary and other expenditure	-				
Capitalised labour costs	-				
<b>Total expenditure</b>	12,167				

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

Department	Budget 2020/21	Comprises			
		Permanent		Casual	Temporary
		Full Time	Part time		
Corporate Leadership	29.6	14	15	0	-
Corporate Operations	83.7	55	25	3	-
Community & Planning	48.2	22	25	0	1
<b>Total permanent staff expenditure</b>	161.5	91	66	4	1
Casuals, temporary and other expenditure	-				
Capitalised labour costs	-				
<b>Total staff</b>	161.5				



## 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 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 2020/21 the FGRS cap has been set at 2.0%. 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 2.0% in line with the rate cap.

This will raise total rates and charges for 2020/21 to \$20,291,000.

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

	2019-20 Forecast Actual \$'000	2020/21 Budget \$'000	Change \$'000	%
General rates	16,160	17,116	956	5.92%
Municipal charge	921	-	921	-100.00%
Waste management charge	2,484	2,627	143	5.76%
Service rates	194	199	5	2.58%
<b>Total rates and charges</b>	<b>19,759</b>	<b>19,942</b>	<b>183</b>	<b>0.93%</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	2019/20 cents/\$CIV*	2020/21 cents/\$CIV*	Change
General rate for rateable residential properties	0.0050194	0.0050682	0.00097223
General rate for rateable vacant residential properties	0.0087839	0.0088694	0.00097280
General rate for rateable farm properties	0.0040155	0.0040546	0.00097273
General rate for rateable commercial properties	0.0060232	0.0060818	0.00097357
General rate for rateable vacant commercial properties	0.0105407	0.0106432	0.00097261

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	2019/20	2020/21	Change	
	\$'000	\$'000	\$'000	%
Residential	7,228	7,702	474	6.55%
Residential - vacant	569	553	- 16	-2.84%
Farm	7,485	7,917	432	5.77%
Commercial	859	924	65	7.62%
Commercial - vacant	19	20	1	8.05%
<b>Total amount to be raised by general rates</b>	<b>16,160</b>	<b>17,116</b>	<b>956</b>	<b>5.92%</b>

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	2019/20	2020/21	Change	
	Number	Number	Number	%
Residential	4,665	4,701	36	0.77%
Residential - vacant	346	326	- 20	-5.78%
Farm	2,232	2,243	11	0.49%
Commercial	305	307	2	0.66%
Commercial - vacant	11	10	- 1	-9.09%
<b>Total number of assessments</b>	<b>7,559</b>	<b>7,587</b>	<b>28</b>	<b>0.37%</b>

4.1.1(e) The basis of valuation to be used is the\*

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	2019/20	2020/21	Change	
	\$'000	\$'000	\$'000	%
Residential	1,440,078	1,519,726	79,648	5.53%
Residential - vacant	64,797	62,341	- 2,456	-3.79%
Farm	1,864,029	1,952,613	88,584	4.75%
Commercial	142,542	151,969	9,427	6.61%
Commercial - vacant	1,756	1,873	117	6.66%
<b>Total value of land</b>	<b>3,513,202</b>	<b>3,688,522</b>	<b>175,320</b>	<b>4.99%</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 Property	Per Rateable Property	Change	
	2019/20	2020/21		%
	\$	\$	\$	%
Municipal	133	-	- 133	-100.00%

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

Type of Charge	2019/20	2020/21	Change	
	\$	\$	\$	%
Municipal	920,739	-	- 920,739	-100.00%

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	Per Rateable Property	Change	
	2019/20	2020/21	\$	%
	\$	\$		
<i>Kerbside Collection- 80Litre</i>	375	383	8	2.13%
<i>Kerbside Collection- 120Litre</i>	375	383	8	2.13%
<i>Kerbside Collection- 240Litre</i>	750	765	15	2.00%
<i>Recycling-120Litre</i>	178	181	3	1.69%
<i>Recycling-240Litre</i>	178	181	3	1.69%
<i>Recycling-360Litre</i>	178	181	3	1.69%
<i>Tree Management Service Charge</i>	28	29	1	3.57%

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	2019/20	2020/21	Change	
	\$	\$	\$	%
<i>Kerbside/Recycling/Organics</i>	1,801,271	1,911,391	110,120	6.11%
<i>Kerbside</i>	506,596	528,102	21,506	4.25%
<i>Recycling</i>	176,447	187,275	10,828	6.14%
<i>Tree Management Service Charge</i>	194,234	198,931	4,697	2.42%
<b>Total</b>	<b>2,678,548</b>	<b>2,825,699</b>	<b>147,151</b>	<b>5.49%</b>

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

	2019/20	2020/21	Change	
	\$'000	\$'000	\$'000	%
<i>General Rates</i>	16,245	17,116	871	5.36%
<i>Municipal Charges</i>	921	-	921	-100.00%
<i>Kerbside Collection/Recycling/Organics</i>	2,484	2,627	143	5.75%
<i>Tree Management Service Charge</i>	194	199	5	2.54%
<b>Total Rates and charges</b>	<b>19,844</b>	<b>19,942</b>	<b>98</b>	<b>0.49%</b>

4.1.1(l) Fair Go Rates System Compliance

Victoria 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 Fair Go Rates System.

	2019/20	2020/21
Total Rates	\$ 16,640,463	\$ 17,116,372
Number of rateable properties	7,513	7,587
Base Average Rate	2,215	2,256
Maximum Rate Increase (set by the State Government)	2.50%	2.00%
Capped Average Rate	\$ 2,270	\$ 2,315
Maximum General Rates and Municipal Charges Revenue	\$ 17,056,475	\$ 17,563,905
Budgeted General Rates and Municipal Charges Revenue	\$ 17,003,571	\$ 17,116,372
Budgeted Supplementary Rates	\$ 126,370	\$ -
Budgeted Total Rates and Municipal Charges Revenue	\$ 17,129,941	\$ 17,116,372

#### 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.

#### 4.1.2 Statutory fees and fines

	Forecast Actual 2019/20	Budget 2020/21	Change	
	\$'000	\$'000	\$'000	%
Land Information Certificates	17	20	3	17.65%
Subdivision Fees	8	10	2	25.00%
Planning Application Fees	200	240	40	20.00%
Building Fees	55	92	37	67.27%
Building Enforcement	1	7	6	600.00%
Animal Registration	110	115	5	4.55%
Health Registrations	-	-	-	0.00%
Other statutory fees & fines	1	10	9	0.00%
<b>Total statutory fees and fines</b>	<b>392</b>	<b>494</b>	<b>102</b>	<b>26.02%</b>

There is a one off waiver of health registration fess to support local businesses.

#### 4.1.3 User fees

	Forecast Actual 2019/20	Budget 2020/21	Change	
	\$'000	\$'000	\$'000	%
Yard Fees Saleyards Income	220	219	- 1	-0.45%
Road opening fees	11	11	-	0.00%
Tip Fees	140	124	- 16	-11.43%
Pound fees	6	7	1	16.67%
Euroa Cinema	54	45	- 9	-16.67%
Swimming pool fees	14	20	6	42.86%
Fire Prevention Notice Infringements	26	27	1	3.85%
Septic Tank Fees	17	17	-	0.00%
Visitor Guide	1	3	2	200.00%
Regatta Centre Events	20	26	6	30.00%
Agent Fees- Saleyards	16	17	1	6.25%
Others	94	86	- 8	-8.51%
<b>Total user fees</b>	<b>619</b>	<b>602</b>	<b>- 17</b>	<b>-2.75%</b>

Sale yard income is expected to decrease due to the impact of drought.

#### 4.1.4 Grants

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

	Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000	Change \$'000 %	
Grants were received in respect of the following:				
Summary of grants				
Commonwealth funded grants	5,821	10,510	4,689	81%
State funded grants	4,145	3,120	- 1,025	-25%
<b>Total grants received</b>	<b>9,966</b>	<b>13,630</b>	<b>3,664</b>	<b>37%</b>
(a) Operating Grants				
Recurrent - Commonwealth Government				
Financial Assistance Grants	2,748	5,818	3,070	112%
Senior citizens	3	3	-	0%
Recurrent - State Government				
Roadside weeds & pest management	60	61	1	2%
School crossing supervision	25	25	-	0%
Maternal & child health	190	206	16	8%
Support play group	21	55	34	162%
Youth	61	62	1	2%
Tobacco control	17	17	-	0%
Emergency management	60	60	-	0%
Vulnerable persons register	18	18	-	0%
Other	38	56	18	47%
<b>Total recurrent grants</b>	<b>3,241</b>	<b>6,381</b>	<b>3,140</b>	<b>97%</b>
Non-recurrent - State Government				
Nagambie growth	90	-	90	-100%
Creative youth	25	-	25	-100%
Wellness	50	-	50	-100%
Waterways management	10	15	5	50%
Working for Victoria	-	2,020	2,020	2020%
Other	634	-	634	-100%
<b>Total non-recurrent grants</b>	<b>809</b>	<b>2,035</b>	<b>1,226</b>	<b>152%</b>
<b>Total operating grants</b>	<b>4,050</b>	<b>8,416</b>	<b>4,366</b>	<b>108%</b>
(b) Capital Grants				
Recurrent - Commonwealth Government				
Roads to recovery	2,170	2,149	- 21	-1%
<b>Total recurrent grants</b>	<b>2,170</b>	<b>2,149</b>	<b>- 21</b>	<b>-1%</b>
Non-recurrent - Commonwealth Government				
Drought relief funding	900	1,100	200	22%
Community Infrastructure	-	1,440	1,440	1440%
Non-recurrent - State Government				
Fixing country roads	2,180	-	2,180	-100%
Community & building grants	563	425	- 138	-25%
Other	103	100	- 3	-3%
<b>Total non-recurrent grants</b>	<b>3,746</b>	<b>3,065</b>	<b>- 681</b>	<b>-18%</b>
<b>Total capital grants</b>	<b>5,916</b>	<b>5,214</b>	<b>- 702</b>	<b>-12%</b>
<b>Total Grants</b>	<b>9,966</b>	<b>13,630</b>	<b>3,664</b>	<b>37%</b>

There are number of non recurrent capital grants in the forecast; fixing country roads (\$2180k), drought relief funding will continue to 20/21.

#### 4.1.5 Contributions

	Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000		Change \$'000	%
Monetary	494	275	-	219	-44.33%
<b>Total contributions</b>	494	275	-	219	-44.33%

A reduction is expected for development contributions.

#### 4.1.6 Other income

	Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000		Change \$'000	%
Interest	273	181	-	92	-33.70%
Investment property rental	69	85		16	23.19%
Fuel tax credit	65	60	-	5	-7.69%
Infringements	5	8		3	60.00%
Other	105	90	-	15	-14.29%
<b>Total other income</b>	517	424	-	93	-17.99%

#### 4.1.7 Employee costs

	Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000		Change \$'000	%
Wages and salaries	7,603.66	9,204.38		1,600.72	21.05%
WorkCover	135.34	163.84		28.49	21.05%
Superannuation	729.79	883.43		153.64	21.05%
Public holidays & other	402.14	486.79		84.66	21.05%
Annual leave	662.00	801.36		139.36	21.05%
Long service leave	214.33	259.45		45.12	21.05%
Other	303.74	367.68		63.94	21.05%
<b>Total employee costs</b>	10,051.00	12,166.93		2,115.93	21.05%

Current year forecast is lower due to number of vacancies and timing of replacement.

#### 4.1.8 Materials and services

	Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000		Change \$'000	%
Building maintenance	1,505	2,229		724	48.11%
Consultants	326	420		94	28.86%
General maintenance	4,531	4,803		272	6.01%
Information technology	528	513	-	15	-2.89%
Insurance	356	415		59	16.64%
Legal fees	139	97	-	42	-30.25%
Office administration	1,862	1,423	-	439	-23.60%
Utilities	453	571		118	25.99%
Waste Management	2,244	2,110	-	134	-5.95%
<b>Total materials and services</b>	11,944	12,581		637	5.33%

#### 4.1.9 Depreciation

	Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000	Change	
			\$'000	%
Property	870	870	-	0.00%
Plant & equipment	504	439	- 65	-12.90%
Furniture & equipment	220	220	-	0.00%
Infrastructure	4,306	4,306	-	0.00%
<b>Total depreciation</b>	<b>5,900</b>	<b>5,835</b>	<b>- 65</b>	<b>-1.10%</b>

#### 4.1.11 Amortisation - Right of use assets

	Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000	Change	
			\$'000	%
Right of use assets	187	227	40	21.39%
<b>Total amortisation - right of use assets</b>	<b>187</b>	<b>227</b>	<b>40</b>	<b>21.39%</b>

#### 4.1.12 Other expenses

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

	Forecast Actual 2019/20 \$'000	Budget 2020/21 \$'000	Change	
			\$'000	%
Audit fee - external	42	44	2	4.76%
Audit fee - internal	40	50	10	25.00%
Councillor expenses	198	209	11	5.56%
<b>Total other expenses</b>	<b>280</b>	<b>303</b>	<b>23</b>	<b>8.21%</b>

Internal audit fee increased to include more wider scope.



## 4.2 Balance Sheet

### 4.2.1 Assets

Current assets are projected to decrease by 7.556m. These resources are used to fund capital works and reflects continuing strong commitment to infrastructure asset renewal.

### 4.2.2 Liabilities

Liabilities are budgeted to be maintained at current levels. However, borrowings are flagged for the 2020/21 financial year to complete landfill rehabilitation works.

### 4.2.3 Borrowings

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

	Forecast Actual 2019/20 \$	Budget 2020/21 \$
Amount borrowed as at 30 June of the prior year	505	369
Amount proposed to be borrowed	-	5,000
Amount projected to be redeemed	(136)	(81)
<b>Amount of borrowings as at 30 June</b>	<b>369</b>	<b>5,288</b>

### 4.2.4 Leases by category

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

	Forecast Actual 2019/20 \$	Budget 2020/21 \$
<b>Right-of-use assets</b>	-	-
Property	18	9
Vehicles	631	463
Other, etc.	-	-
<b>Total right-of-use assets</b>	<b>649</b>	<b>472</b>
<b>Lease liabilities</b>		
<b>Current lease Liabilities</b>		
Land and buildings	9	9
Plant and equipment	167	173
Other, etc.	-	-
<b>Total current lease liabilities</b>	<b>176</b>	<b>182</b>
<b>Non-current lease liabilities</b>		
Land and buildings	9	-
Plant and equipment	464	290
Other, etc.	-	-
<b>Total non-current lease liabilities</b>	<b>473</b>	<b>290</b>
<b>Total lease liabilities</b>	<b>649</b>	<b>472</b>

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 3.2%.

## 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 2020/21.

## **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 \$8.150 million.

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

Net cash used in the investing activities is budgeted to be \$15.504 million. The capital works program of \$16,202 (includes GST) is funded from this.

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

Financing activities budgeted to be \$4.899 million. This includes proposed \$5 million loan to fund rehabilitation works for the Violet Town landfill.

## 4.5 Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2020/21 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 2019/20 \$'000	Budget 2020/21 \$'000	Change \$'000	%
Property	1,157	978 -	179	-15.49%
Plant and equipment	1,652	1,832	180	10.87%
Infrastructure	8,013	12,694	4,681	58.41%
<b>Total</b>	<b>10,823</b>	<b>15,504</b>	<b>4,681</b>	<b>43.25%</b>

	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	545	-	453	92	-	205	-	340	-
Plant and equipment	1,832	1,832	-	-	-	-	-	1,832	-
Infrastructure	7,628	251	4,326	1,050	2,001	2,620	-	5,008	-
<b>Total</b>	<b>10,005</b>	<b>2,083</b>	<b>4,779</b>	<b>1,142</b>	<b>2,001</b>	<b>2,825</b>	<b>-</b>	<b>7,180</b>	<b>-</b>

#### 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
<b>PROPERTY</b>									
<b>Building Improvements</b>									
Saleyards relocate truck wash	165		165			165		-	
Saleyards Additional Water Tanks	40			40		40		-	
Eurora Tennis Club sewer scoping	100		100					100	
Longwood Community Centre Solar	42			42				42	
Toilets Graytown Scoping/Delivery	50		50					50	
Building - Avenel, Violet Town & Nagambie Pools - replace chlorinators	10			10				10	
Swimming Pool works	121		121					121	
Euroa Croquet Club paint	17		17					17	
<b>TOTAL PROPERTY</b>	<b>545</b>	-	453	92	-	205	-	340	-

<b>PLANT AND EQUIPMENT</b>									
<b>Plant, Machinery and Equipment</b>									
Fleet	1,262	1,262	-	-	-	-	-	1,262	-
<b>Computers and Telecommunications</b>									
IT upgrade	570	570	-	-	-	-	-	570	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>1,832</b>	<b>1,832</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,832</b>	<b>-</b>

Capital Works Area	Project Cost	Asset expenditure types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contrib.	Council cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INFRASTRUCTURE									
Roads									
Reseal Program	700		700			700	-	-	
Shoulders Pavement Program	400		400			400		-	
Rehabilitation Program	800		800			800		-	
Gravel Road Resheeting Program	600				600			600	
Kerb & Channel	50		50					50	
Zero Class Roads Upgrade Program	400			400				400	
Ewings Livingston Intersection	200				200			200	
Unallocated	164		164					164	
Dump points Violet Town and Nagambie	10		10					10	
Avenel - Hughes Creek low level crossing (New)	50				50			50	
Unallocated - Infrastructure Fund	300				300			300	
Stormwater drain surveys	75		75					75	
Wattlevale Road Council contribution	75		75					75	
Bridges									
Bridges & Major Culverts	450	-	450	-	-	-	-	450	
Footpaths and Cycleways									
Walking Tracks	10	10				-	-	10	
Strathbogie Footpath	25			25				25	
Footpath Anderson Street Scobie to Atkins	35	35						35	
Footpaths	46	46						46	
Rockies Pedestrian Footbridge (New)	50		50					50	

<b>Drainage</b>									
Pit & Pipe Replacement Program	60		60			-	-	60	-
Bores and Storage Tanks	220		220			220		-	
Bank /Queen/Belmont Street Drainage	160		160					160	
<b>Recreational, Leisure &amp; Community Facilities</b>									
Sporting Fields & Courts	10		10					10	
Play Space	15		15					15	
Open Space Amenities	10		10					10	
Streetscapes	10		10					10	
Town Entry Sign Upgrades	30		30					30	
Project management	400		400					400	
Nagambie Aquatic park	125				125	125		-	
Pipe Lake to Nagambie Recreation Reserve	125				125	125	-	-	
Strathbogie Rec Reserve amenities building	250		250			250		-	
Violet Town Netball and Multi purpose courts	300		300			-		300	
Violet Town Recreation Reserve Market infrastructure	84		84			-		84	
Strathbogie Picnic Shelter	25				25	-	-	25	-
Streetscapes	600				600			600	
Euroa Leash free area	25		25			-	-	25	-
Memorial Oval Netball Court Repairs	40		40					40	
Shadforth Reserve Master Plan	40		40			-	-	40	-
E Building - Euroa RSL Clubroom Expansion - Construction Yr2	200				200			200	
Nagambie Foreshore Walk	351				351	-	-	351	-
Euroa swimming pool seating around trees	8		8					8	
Nagambie Splash Park	50				50	-	-	50	-
Avenel exercise station	50		50					50	
<b>TOTAL INFRASTRUCTURE</b>	<b>7,628</b>	<b>251</b>	<b>4,326</b>	<b>1,050</b>	<b>2,001</b>	<b>2,620</b>	<b>-</b>	<b>5,008</b>	<b>-</b>
<b>TOTAL NEW CAPITAL WORKS</b>	<b>10,005</b>	<b>2,083</b>	<b>4,779</b>	<b>1,142</b>	<b>2,001</b>	<b>2,825</b>	<b>-</b>	<b>7,180</b>	<b>-</b>



#### 4.5.3 Works carried forward from the 2019/20 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	Council cash \$'000	Borrowings \$'000
<b>PROPERTY</b>									
<b>Buildings</b>									
Euroa Saleyards sprinkler system	60		60					60	
Toilets Graytown Scoping/Delivery	20		20					20	
E Building - 'Euroa Tennis Club - Remove existing cyprus tree & replace	40		40					40	
Euroa Civic Centre Roof cladding Stage 2	80		80					80	
Public Art	20		20					20	
Graytown Solar panels	23		23					23	
Strathbogie Rec Reserve Pizza Oven cover	3		3					3	
E Building - Euroa Saleyards - PA System	10		10					10	
E Building - Euroa Saleyards - Security System (cameras)	25		25					25	
Recreation Reserves Master Plans	25		25					25	
Violet Town Recreation Reserve Toilet block	127		127					127	
<b>TOTAL PROPERTY</b>	<b>433</b>	-	433	-	-	-	-	433	-

Capital Works Area	Project Cost	Asset expenditure types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contrib.	Council cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INFRASTRUCTURE									
Roads									
Euroa Strath Creek Junction	420		420		-	420	-	-	
Harrys Creek Bonnie Doon	370		370			370		-	
Harrys Creek Road Major Culvert 349	140		140			140		-	
Upton Road Major Culvert 505	175		175			175		-	
Mullers Road	360		360					360	
Longwood Ruffy@ Tarcombe	750		750			704		46	
Create Easements for flood levees	15		15					15	
Memorial Oval to Friendlies	390		390					390	
Small Towns Wastewater Plan	10		10					10	
Kerb and Channel program	50		50					50	
E Road - 'Euroa Tennis Club - Car Park Scoping	5				5			5	
Clifton Street Kirkland Ave to Binney Street	26		26					26	
Gobur Street from Turnbull Street	25		25					25	
Nagambie Industrial Area Scoping	53		53					53	
								-	
Bridges								-	
Harrys Creek Road Culvert 349	63	-	63	-	-	-	-	63	
								-	
Footpaths and Cycleways								-	
Tracks and Tails DROUGHT FUNDING	212	212	-	-	-	212	-	-	
								-	
Drainage								-	
Bores and Storage Tanks	368		368			368		-	
Boundary Rd South Future Open Drain - Stage 2	100		100					100	
Upgrade three existing retarding basins at McGregor Avenue with a pump system (solar).	28		28					28	
Stormwater Drain Survey	15		15					15	
Nagambie Wastewater Management Scheme	80		80					80	
						-	-	-	

<b>Recreational, Leisure &amp; Community Facilities</b>								-	
Town Entry Sign Upgrades	30		30			-	-	30	-
Nagambie Recreation Reserve netball court/carpark	250		250					250	
Nagambie Active Space	500		500					500	
E Building - Euroa RSL Clubroom Expansion - Construction Yr2	150				150			150	
Nagambie Foreshore Walk	351				351			351	
Euroa Caravan Park Tree replacement	115		115					115	
Tree Management Projects	15		15					15	
<b>TOTAL INFRASTRUCTURE</b>	<b>5,066</b>		212	4,348	-	506	2,389	-	2,677
<b>TOTAL CARRIED FORWARD CAPITAL WORKS 2019/20</b>	<b>5,499</b>		212	4,781	-	506	2,389	-	3,110

## 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
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	+/-
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	0.2%	-3.8%	0.1%	-1.0%	-0.2%	0.5%	+
<b>Liquidity</b>									
Working Capital	Current assets / current liabilities	2	215%	172%	207%	115%	114%	130%	+
Unrestricted cash	Unrestricted cash / current liabilities	3	0.0%	145.9%	168.5%	69.3%	68.7%	84.1%	+
<b>Obligations</b>									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	2.6%	1.9%	26.5%	24.0%	21.5%	19.2%	-
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		1.2%	0.8%	0.5%	2.4%	2.3%	2.3%	-
Indebtedness	Non-current liabilities / own source revenue		24.8%	25.3%	53.2%	43.9%	21.8%	19.8%	-
Asset renewal	Asset renewal expenses / Asset depreciation	5	147.1%	118.2%	163.8%	186.0%	66.8%	67.7%	-
<b>Stability</b>									
Rates concentration	Rate revenue / adjusted underlying revenue	6	66.5%	78.0%	66.7%	71.3%	71.1%	71.0%	-
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	o

Indicator	Measure	Notes	Actual	Forecast	Budget	Strategic Resource Plan Projections			Trend
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	+/-
Efficiency									
Expenditure level	Total expenses/ no. of property assessments		\$3,795	\$3,688	\$4,041	\$3,860	\$3,951	\$4,028	+
Revenue level	Residential rate revenue / no. of residential property assessments		\$2,945	\$3,214	\$3,272	\$3,352	\$3,433	\$3,516	+
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		4.9%	4.4%	4.2%	4.2%	4.2%	4.2%	+

**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