



Southern Grampians
SHIRE COUNCIL

Draft Budget

2018/2019

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Mayor's introduction

On behalf of your elected Council it gives me great pleasure to present this, budget to the community of Southern Grampians Shire.

During late 2016 and early 2017 following the Council election, your elected members worked to develop an aspirational whilst deliverable Council Plan 2017-21 that has informed the development of the Strategic Resource Plan 2017-21.

During 2017/18, Council commenced turning these plans and aspirations into reality and this 2018/19 Budget builds on that initial work.

Council continues to revise the Strategic Resource Plan, to review all costings and actively explore opportunities to find efficiencies and savings internally and externally along with external sources of revenue. The service planning process has assisted in providing further clarification about current services and levels with an informed view to consult with our communities about appropriateness and level of service along with costs associated with each of our 70+ services.

Council is focused on delivering quality services for the community whilst being conscious of the longer term impacts. Council also understands that the community has high expectations and it is important that Council continues to identify efficiencies and reviews all activities against community identified priorities.

The proposed budget includes a number of key initiatives to deliver on the Council Plan 2017-21:

- ✓ Development of short, medium and long-term priority plans for recreation and leisure facilities in response to the findings of the Recreation and Leisure Strategy, including Lake Hamilton
- ✓ Undertake the scoping study for the Hamilton Art Gallery
- ✓ Implement a pro-active strategy to promote and grow the Hamilton Regional Livestock Exchange.
- ✓ Design Stage 2 Hamilton CBD revitalisation project – Lonsdale St/Melville Oval/Gray Street
- ✓ Implement key actions from 2018 energy audits at HILAC, Brown Street Business Centre, Hamilton Depot and Market Place.
- ✓ Continue advocacy on key Council priorities including State and Federal budgets and elections (State 2018 and Federal 2019)

The total Capital Works program will be almost \$33 million with significant investment in roads, bridges, footpaths and associated infrastructure and flood recovery works. This is a significant increase on historic programs due to the floods impact of \$15.682 million.

Highlights of the Capital Works Program include:

- ✓ A continued significant investment into local roads, bridges and associated infrastructure.
- ✓ Commence construction of the serviced industrial land
- ✓ Deliver Year 2 of the Flood Impact repairs and reinstatement works
- ✓ Complete capping works at Elijah Street Landfill and implement gas treatment system.
- ✓ Implement Council Buildings Asset Management Strategy and commence works.
- ✓ Commence works on Melville Oval Facilities.

On behalf of your elected representatives, I commend this 2018/19 Annual Budget to the community and look forward on delivering and reporting back to the community in 12 months on our achievements and successes.

Cr Mary-Ann Brown
Mayor

Executive Summary

Council has prepared a Budget for 2018/19 which is aligned to the vision in the Council Plan 2017-21. It seeks to ensure our services meet community needs and infrastructure delivers for each of our services as well as deliver projects and services that are valued by our community, and do this within the rate increase mandated by the State Government.

This Budget projects a surplus of \$13.842m for 2018/19, however, it should be noted that the adjusted underlying result is a deficit of \$2.498m after adjusting for capital grants and contributions.

E1. Key things we are funding

Theme 1: Support our Community

A vibrant, growing community that is healthy, inclusive and connected

Major Initiatives

- 1) As part of the Digital Strategy implementation, commence digital capacity building workshops and implement Smart Security Plan.
- 2) Development of short, medium and long-term priority plans for recreation and leisure facilities in response to the findings of the Recreation and Leisure Strategy.
- 3) Based upon community engagement and feedback address service delivery challenges with Outdoor Aquatic Facilities.
- 4) Through ongoing 3-year rolling Service Reviews ensure appropriate facilities are available for the type and level of service provided
- 5) Undertake the scoping study for the Hamilton Art Gallery

Minor Initiatives

- 6) Recognise and celebrate our senior Citizens.
- 7) Finalise the engagement approach with indigenous groups.
- 8) Working with local communities develop their capacity to deliver their Community Plans.
- 9) Provide a streamlined Greater Grants program through the Smarty Grants program rollout.

Theme 2: Develop our Regional Economy and Businesses

A strong, diversified local and regional economy

Major Initiatives

- 10) Implement an agricultural investment attraction program highlighting regional suitability for diversification.
- 11) Commence construction of the serviced industrial land.
- 12) Work with State and Federal Governments to support the local economy following the closure of Iluka Mineral Sands processing in Hamilton.
- 13) Implement a pro-active strategy to promote and grow the Hamilton Regional Livestock Exchange.

Minor Initiatives

- 14) Complete stage three of the Livestock Exchange redevelopment project
- 15) Continue delivery of the Digital Strategy aligned with Smart Communities project
- 16) Work with Intermodal Hub operator to identify rail freight options

Theme 3: Plan for our Built Environment

Provide access to infrastructure that meets community needs

Major Initiatives

- 17) Deliver Year 2 of the Flood Impact repairs and reinstatement works
- 18) Deliver the roads and Community infrastructure program
- 19) Implement design stage of Lonsdale Street Structure Plan
- 20) Design Stage 2 Hamilton CBD revitalisation project – Lonsdale St/Melville Oval/Gray Street

Minor Initiatives

- 21) Development and implementation of building Asset Management Plans.
- 22) Further develop and advocate the Hamilton CBD Revitalisation project.
- 23) Implement Hamilton Structure Plan town entrances component.
- 24) Increase diversion of recyclables through Transfer Station upgrades (subject to State-wide direction)

Theme 4: Promote our Natural Environment

Promote a culture that supports a clean, green and sustainable environment

Major Initiatives

- 25) Prioritise and implement key actions from Climate Change Mitigation & Adaptation Study
- 26) Implement key actions from 2018 energy audits at HILAC, Brown Street Business Centre, Hamilton Depot and Market Place.
- 27) Deliver the Waste & Resource Recovery Strategy as adopted by Council including landfill, transfer stations and collection initiatives

Minor Initiatives

- 28) Identify and assign responsibilities to appropriate external Agencies for non-statutory services
- 29) Actively participate in the Barwon South West Resource Recovery Group to leverage funding and project opportunities in waste
- 30) Further develop effective environmental processes that support Council Policy
- 31) Complete capping works at Elijah Street Landfill and implement gas treatment system.

Theme 5: Provide Governance and Leadership

Strong leadership, good governance and effective service delivery

Major Initiatives

- 32) Implement Year 2 of the Council Plan 2017 – 21
- 33) Continue advocacy on key Council priorities including State and Federal budgets and elections (State 2018 and Federal 2019)
- 34) Provide the environment, appropriate systems and processes to enhance the Customer Experience dealing with Council

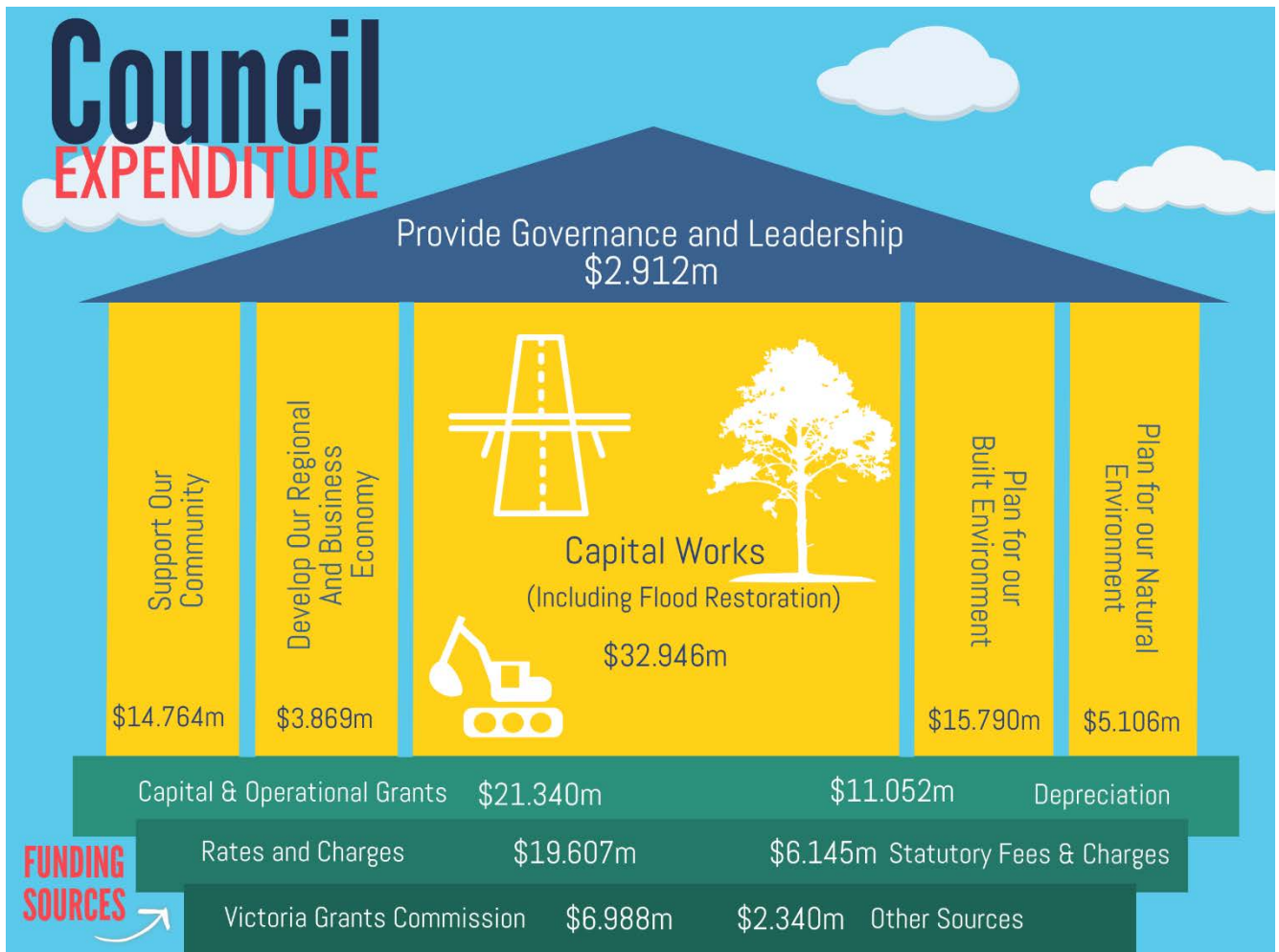
Minor Initiatives

- 35) Finalise and implement the Communications Strategy which guides Council's communication efforts
- 36) Invest in our staff and systems to ensure an efficient and effective organisation
- 37) Complete the second and third stages of service reviews in accordance with the revised Service Planning Framework

E2. What money is spent on the service areas?



E3. Council Expenditure and Sources of Revenue



E4. Budget influences

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

External influences

In preparing the 2018/19 Budget, a number of external influences have been taken into consideration because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- The need to renegotiate Enterprise Bargaining Agreements ("EBA") every 3 years.
- The increased demand for Council services and the need to review all services to ensure they are responsive, appropriate and efficient.
- Irregular funding from Victoria Grants Commission. A static period of 3 years together with only modest increases prior to and after this period, has eroded the index base and resulted in a loss of over \$1m. A conservative increase of 2% has been assumed in this budget.
- Roads to Recovery IV funding from 2014–2019 - \$13m over the program life– the Funding allocations have varied from \$4.2m to \$1.4m each year making programming of works and resources problematic, however this has substantially helped Council to achieve higher renewal rates for infrastructure assets. There has been a commitment for a further round of this funding, however no details have been received as to allocation amounts at the time of preparation.
- Continuing escalation of utility costs essential for carrying out services (water, power, communications and insurances).
- Significant changes to funding regimes for community services involving the implementation of the NDIS (National Disability Insurance Scheme), CHSP (Commonwealth Home Support Programme) and other funding streams coupled with the competitive requirements and in some cases market failure to provide these essential services has left Council needing to review its role in this service area.
- The continuation of rate-capping by the State Government – set at 2.25% for 2018/19,
- The increased costs across the organisation of meeting compliance standards set by other levels of government.

Internal influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2018/19 Budget.

- Continuing increases in the demand and associated costs to improve waste management service levels (Landfills, Transfer Stations and Refuse/Recycling collections) along with imposition of strict guidelines from government in regard to management practices.
- The need for improved asset management practices to ensure efficient and effective use of Council's physical resources.
- Continuing escalation of costs in relation to the maintenance and renewal of Council's ageing infrastructure assets.
- The need for more detailed planning of major developments to ensure optimum long term asset longevity.

In an effort to reduce the impact of these matters, Council has embarked on a service delivery realignment to ensure resources align with the services provided and compliment the direction of the newly created Council Plan.

Exceptional Events

During September 2016 the Shire experienced storm related flooding and damage in several communities. The result has been damage to privately owned assets, Community/Crown assets and Council assets.

Council assets include such classes as roads, kerbs, bridges, footpaths/walking tracks, buildings, sporting facilities and playgrounds.

Funding assistance has been committed from both Federal and State Governments, however the exact magnitude of both the revenue and expenses (as well as asset damage) is a continuing challenge. Council has made every effort to estimate these amounts and prepare the Budget with this information.

Over the weekend of 17 and 18 March 2018 the region also experienced a significant storm and fire event that particularly impacted on Gazette and Penshurst areas within Southern Grampians and then travelled south east through Moyne and Corangamite Shires, The event has been declared a National Emergency and Council has and will have significant recovery efforts with financial support from State and Federal Governments.

E5. Budget principles

Guidance is provided to all Council officers with budget responsibilities. These key budget principles upon which the officers were to prepare their budgets included:

- Existing fees and charges to be increased in line with CPI or market levels.
- Grants to be based on confirmed funding levels.
- New revenue sources to be identified where possible.
- Service levels to be maintained at 2017/18 levels with the aim to use less resources with an emphasis on innovation and efficiency.
- Contract labour to be minimised.
- New initiatives or employee proposals to be justified through a business case.
- Real savings in expenditure and increases in revenue identified in 2017/18 to be preserved
- Operating revenues and expenses arising from completed 2017/18 capital projects to be included.

Cost escalations for the preparation of the 2018/19 budget onwards include:

- Rate revenue to be projected at 2.25% - the current year rate cap
- Refuse and Recycling charges at 2.25% (following a major increase in 2017/18 to lift the base revenue closer to full cost recovery)
- Operating Grants increasing at 2%
- Capital Grants only included where some level of surety arises and linked directly to a specific capital project.
- Continuation of the Roads to Recovery program at the end of 2018/19
- User Fees and Charges increasing in line with service reviews
- Statutory Fees and Charges only increasing where legislation is known
- Employees costs increasing at 3% (2% base with 1% for oncosts)
- Materials & consumables increasing at 4%
- Utilities and other operating expenses increasing at 3%

E6. Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2018/19 budget, which is included in this report, is for the year 1 July 2018 to 30 June 2019 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ending 30 June 2019 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with officers preparing the operating and capital components of the annual budget during January and February. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during March and April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in late April/early May for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days' notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. Generally the budget is required to be adopted by 30 June and a copy submitted to the Minister within 28 days after adoption.

The key dates for the budget process are summarised below:

| Planned Budget process | Timing |
|--|-----------|
| 1. Officers update Council's long term financial projections | Dec/Jan |
| 2. Officers prepare operating and capital budgets | Jan/Feb |
| 3. Councillors consider draft budgets at informal briefings | Mar/Apr |
| 4. Proposed budget submitted to Council for approval | Late Apr |
| 5. Public notice advising intention to adopt budget | Early May |
| 6. Budget available for public inspection and comment | Early May |
| 7. Public submission process undertaken | May |
| 8. Submissions period closes (28 days) | Early Jun |
| 9. Submissions considered by Council/Committee | Mid Jun |
| 10. Budget and submissions presented to Council for adoption | Late Jun |
| 11. Copy of adopted budget submitted to the Minister | Jun |
| 12. Revised budget where a material change has arisen | Sep-Jun |

Budget Reports

The following reports include all statutory disclosures of information and are supported by the analysis contained in sections 8 to 15 of this report.

This section includes the following reports and statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report.

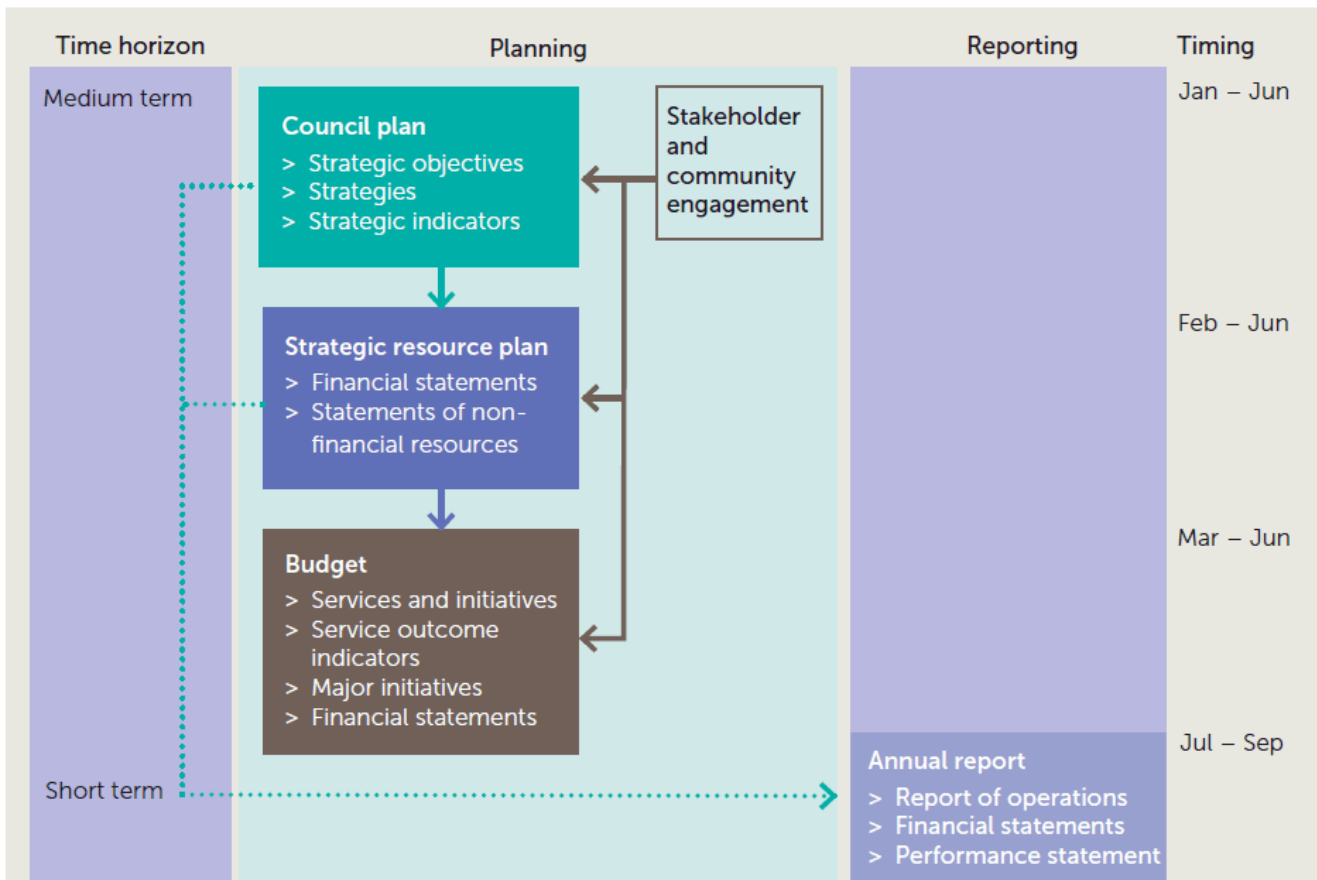
1. Links to Council Plan
2. Services and service indicators
3. Financial statements
4. Notes to the Financial Statements
5. Financial Performance Indicators

1. Linkage 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 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, taking into account 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 (formerly Department of Transport, Planning and Local Infrastructure)

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

1.2 Our Vision & Values

Our Vision

'That Southern Grampians Shire will be recognised as a well-connected, dynamic Regional Centre, supporting a vibrant, healthy and inclusive community'

To achieve this vision, we have developed five fundamental priority areas and these themes will guide the development and implementation of Council's objectives and strategies.

Our Values

Southern Grampians has a clear strength in the bond and affinity between its Councillors, the community and staff. Staff support the community leadership and governance role of Councillors, and work together to achieve the commitments of the Council Plan.

Having all Southern Grampians staff and Councillors practise the following organisational values, which were identified by staff and Councillors as being of the highest importance, will enhance the quality of this partnership.

- **Innovative:** we will be open to new ideas, will welcome creativity and embrace change
- **Respectful:** we will be caring, accept difference and value diversity
- **Collaborative:** together we will work smarter to achieve agreed common goals
- **Trusting:** we will be open, honest and brave
- **Empowering:** we will delegate opportunities and develop and inspire success

1.3 Themes and Strategic objectives

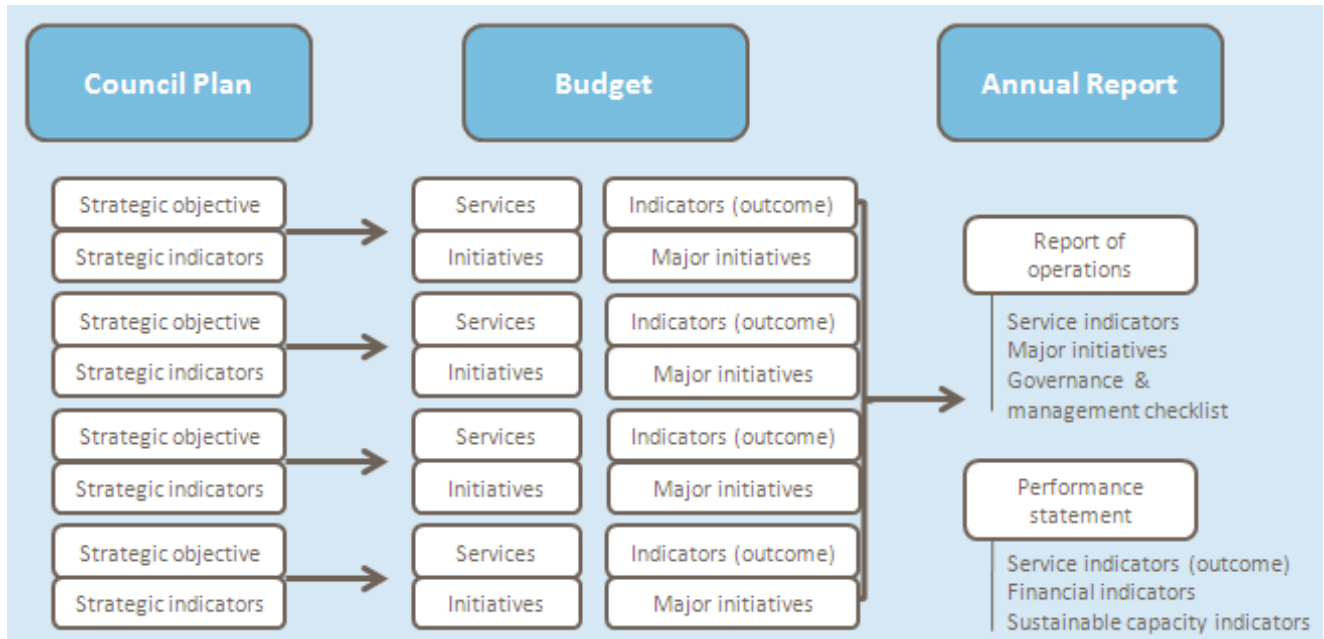
Council delivers services and initiatives under 70 service categories. Each service contributes to the achievement of the Strategic Objectives as set out in the Council Plan for the years 2017- 21.

The following table lists the five Themes and Strategic Objectives as described in the Council Plan.

| Theme | Strategic Objectives |
|--|--|
| 1. Support our Community | 1.1 An empowered and resilient community 1.2 A healthy and vibrant community 1.3 A growing, diverse and inclusive community 1.4 A safe community |
| 2. Develop our Regional Economy and Businesses | 2.1 Attract, support and encourage industries that propel economic growth throughout the Shire 2.2 Increase the profile of Greater Hamilton regionally and globally 2.3 Continue to support the development of a skilled workforce and sustainable businesses in all towns in the Shire 2.4 Support, encourage and promote a strong, innovative and distinctive tourism sector that grows the visitor economy |
| 3. Plan for our Built Environment | 3.1 Plan and provide for sustainable assets and infrastructure 3.2 Plan, advocate and provide for safe and well maintained transport routes and infrastructure 3.3 Develop and maintain attractive and vibrant Council owned and managed open spaces and streetscapes 3.4 Encourage and support infrastructure for social inclusion and economic growth |
| 4. Promote our Natural Environment | 4.1 Promote and support improved biodiversity and the health of waterways, wetlands, soil and air 4.2 Balance environmental protection with Council's support for growth 4.3 Promote and provide sustainable waste management services 4.4 Develop and implement climate change adaptation strategies to prepare for climate change, especially extreme weather events |
| 5. Provide Governance and Leadership | 5.1 Provide transparent and responsible governance 5.2 Deliver effective advocacy 5.3 Create an environment that supports committed and skilled staff 5.4 Deliver efficient and customer focused services |

2. Services and Service Performance Indicators

This section provides a description of the services and initiatives to be funded in the budget for the 2018/19 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes a number of major 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 Council Plan Theme 1: Support our community – a vibrant, growing community that is healthy, inclusive and connected

To support our community to be vibrant, growing, healthy, inclusive and connected, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services.

To achieve this we have set the following Strategic Objectives:

- 1.1 An empowered and resilient community
- 1.2 A healthy and vibrant community
- 1.3 A growing, diverse and inclusive community
- 1.4 A safe community

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

| Service area | Description of services provided | 2017/18 | 2018/19 |
|---|--|--|--|
| | | Budget Expenditure (Revenue) Net Cost \$'000 | Budget Expenditure (Revenue) Net Cost \$'000 |
| Aged and Disability Services Coordination | This service provides a range of Home and Community Care services for the aged and disabled including assessment, personal care, domestic assistance and respite care and coordinates delivered meals, community transport, property maintenance and senior citizens programs. | 2,538 <u>(2,404)</u> 134 | 2,132 <u>(1,950)</u> 181 |
| Senior Citizen Programs and Support | This service offers opportunities for older residents to participate in community and social activities across the Shire. | 110 <u>(49)</u> 61 | 98 <u>(51)</u> 47 |
| Community Services Management | This service provides management support to coordinate whole of organisation approach to service delivery across community and leisure portfolio, particularly in relation to delivering the Municipal Health and Wellbeing Plan. | 331 <u>(10)</u> 321 | 590 <u>0</u> 590 |
| Community Planning Engagement and Support | This service coordinates Council's approach to community planning and citizen engagement, including skill development and capacity building for Councillors and community. | 408 <u>(38)</u> 370 | 404 <u>38</u> 366 |
| Rural Access | This service aims to build inclusive communities by mobilising, strengthening and providing support to communities. | 67 <u>(67)</u> (0) | 67 <u>(67)</u> 0 |
| Children's Services | This service provides quality education and care services ie. Family Day Care and promotes the early years sector. | 786 <u>(612)</u> 174 | 807 <u>(678)</u> 129 |
| Recreation Development and Support | This service is responsible for the management and planning of recreational opportunities in conjunction with the community, using community development processes. | 288 <u>0</u> 288 | 797 <u>(300)</u> 497 |
| Sports Reserves | This service directly manages or provides operational assistance for 16 recreational reserves across the Shire to support both active and passive participation in sports and recreation. | 721 <u>(26)</u> 695 | 692 <u>(780)</u> (88) |
| Lake Hamilton | This service provides a safe, functional, accessible and useable space for leisure and recreational activities, on water and surrounding open space. | 270 <u>(1)</u> 269 | 271 <u>(2)</u> 269 |
| Aquatic Facilities | This service provides a geographic spread of aquatic facilities that deliver recreation, health, wellbeing, education, social and tourism/economic opportunities to our communities. | 669 <u>(47)</u> 622 | 692 <u>(55)</u> 637 |
| Hamilton Indoor Leisure & Aquatic Centre | This service provides accessible leisure and aquatic experiences that facilitates and promotes wellbeing outcomes. | 2,639 <u>(1,332)</u> 1,307 | 2,691 <u>(1,332)</u> 1,360 |

| Service area | Description of services provided | 2017/18 Budget Expenditure (Revenue) Net Cost \$'000 | 2018/19 Budget Expenditure (Revenue) Net Cost \$'000 |
|-------------------------|---|---|---|
| Art Gallery | This service supports tourism promotion and community engagement with the arts, and acts as custodian of one of the most valuable collections in regional Australia. | 690 <u>(130)</u> 560 | 706 <u>(143)</u> 563 |
| Performing Arts Centre | This service provides promotion and support of performing arts, encouraging both appreciation and participation. Also offers a conference and event venue for both the business and community sectors. | 585 <u>(258)</u> 326 | 618 <u>(264)</u> 354 |
| Library | This service aims to be an effective and dynamic library service inspiring and connecting our community by providing diverse, accessible and creative collections, programs, spaces and experiences. | 564 <u>(196)</u> 368 | 559 <u>(199)</u> 360 |
| Cinema | This service provides the community with a high quality cinema experience. | 385 <u>(332)</u> 53 | 361 <u>(281)</u> 80 |
| Civic & Community Arts | This service aims to increase visibility and activity of arts and culture in the community through a range of community programs or projects. | 135 <u>0</u> 135 | 106 <u>0</u> 106 |
| Parks and Urban Spaces | This service provides and maintains appropriate parks and urban space areas across the Shire to support inclusive recreation activities for the whole community. | 620 <u>0</u> 620 | 637 <u>0</u> 637 |
| Local Laws Operations | This service implements and enforces the Community Local Law No.1 (2015), provides parking control, coordinates domestic animal management including the operation of Council owned pound facility, and supports the provision of law and order in the community. | 394 <u>(321)</u> 73 | 390 <u>(381)</u> 9 |
| Maternal & Child Health | This service provides a primary health care service for the Shire's families with children from birth to school age. | 290 <u>(207)</u> 82 | 313 <u>(250)</u> 63 |
| Emergency Management | This service coordinates emergency management planning to enable Council to coordinate and respond to emergencies in cooperation with other agencies. | 1,818 <u>(704)</u> 1,114 | 1,578 <u>(1,401)</u> 176 |
| Botanic Gardens | This service maintains the historically significant Botanic Gardens in Hamilton (& Peshurst) and provides responsible management of flora, open spaces and built facilities on the grounds. | 298 <u>0</u> 298 | 257 <u>0</u> 257 |

Major Initiatives

- 1) As part of the Digital Strategy implementation, commence digital capacity building workshops and implement Smart Security Plan.
- 2) Development of short, medium and long-term priority plans for recreation and leisure facilities in response to the findings of the Recreation and Leisure Strategy.
- 3) Based upon community engagement and feedback address service delivery challenges with Outdoor Aquatic Facilities.
- 4) Through ongoing 3-year rolling Service Reviews ensure appropriate facilities are available for the type and level of service provided
- 5) Undertake the scoping study for the Hamilton Art Gallery

Minor Initiatives

- 6) Recognise and celebrate our senior Citizens.
- 7) Finalise the engagement approach with indigenous groups.
- 8) Working with local communities develop their capacity to deliver their Community Plans.
- 9) Provide a streamlined Greater Grants program through the Smarty Grants program rollout.

Service Performance Outcome Indicators

| Service | Indicator | Performance Measure | 2016/17 Actual | 2017/18 Forecast | 2018/19 Target |
|---------------------------|-------------------|---|----------------|------------------|----------------|
| Maternal and Child Health | Participation | Participation in the MCH service | 77.01% | 85% | 90% |
| | | Participation in the MCH service by Aboriginal children | 69.77% | 75% | 77% |
| Libraries | Participation | Active library members | 15.28% | 15.48% | 15.85% |
| Aquatic Facilities | Utilisation | Utilisation of aquatic facilities | 14.80% | 15.6% | 16.03% |
| Animal Management | Health and safety | Animal management prosecutions | 1 | 0 | 0 |

2.2 Council Plan Theme 2: Develop our regional economy and businesses - a strong, diversified local and regional economy

To develop our regional economy and businesses and achieve a strong, diversified local and regional economy.

We have set the following Strategic Objectives:

- 2.1 Attract, support and encourage industries that propel economic growth throughout the Shire
- 2.2 Increase the profile of Greater Hamilton regionally and globally
- 2.3 Continue to support the development of a skilled workforce and sustainable businesses in all towns in the Shire
- 2.4 Support, encourage and promote a strong, innovative and distinctive tourism sector that grows the visitor economy

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

| Service area | Description of services provided | 2017/18 | 2018/19 |
|----------------------|--|--|--|
| | | Budget Expenditure (Revenue) Net Cost \$'000 | Budget Expenditure (Revenue) Net Cost \$'000 |
| Economic Development | This service seeks, in conjunction with key stakeholders, to promote an environment that is conducive to a sustainable and growing local economy. | 525 <u>(17)</u> 508 | 623 <u>(15)</u> 608 |
| Airport | This service is responsible for the management and operation of the Hamilton Airport. | 1,010 <u>(25)</u> 985 | 996 <u>(22)</u> 974 |
| Livestock Exchange | This service is responsible for the management and operation of the Hamilton Livestock Exchange. | 1,274 <u>(1,433)</u> (159) | 1,296 <u>(1,273)</u> 23 |
| Tourism | This service aims to increase visitation and visitor yield and increase the quality of visitor experiences in the Shire. | 304 <u>(0)</u> 304 | 177 <u>(0)</u> 177 |
| Visitor Services | This service aims to connect the visitor to the Greater Hamilton experience, encouraging them to stay longer and contribute more to the local economy. | 379 <u>(20)</u> 359 | 369 <u>(21)</u> 348 |
| Business Development | The business development service seeks to facilitate an environment that is conducive to a sustainable and growing local business sector. | 109 <u>0</u> 109 | 111 <u>0</u> 111 |
| Events Support | This services purpose is to increase visitation and visitor yield and increase quality visitor experiences through the support and marketing of events within the Shire. | 234 <u>(6)</u> 228 | 249 <u>(8)</u> 241 |
| Caravan Parks | This service provides low cost camping and caravan park accommodation facilities in Coleraine and Peshurst. | 44 <u>(8)</u> 36 | 50 <u>(12)</u> 38 |
| Land Development | This service provides management of Council owned land to promote economic and industrial development and may also secure industrial land for potential development. | 0 <u>(0)</u> 0 | 1 <u>(0)</u> 1 |

Major Initiatives

- 10) Implement an agricultural investment attraction program highlighting regional suitability for diversification.
- 11) Commence construction of the serviced industrial land.
- 12) Work with State and Federal Governments to support the local economy following the closure of Iluka Mineral Sands processing in Hamilton.
- 13) Implement a pro-active strategy to promote and grow the Hamilton Regional Livestock Exchange.

Minor Initiatives

- 14) Complete stage three of the Livestock Exchange redevelopment project
- 15) Continue delivery of the Digital Strategy aligned with Smart Communities project
- 16) Work with Intermodal Hub operator to identify rail freight options

Service Performance Outcome Indicators

| Service | Indicator | Performance Measure | 2016/17 Actual | 2017/18 Forecast | 2018/19 Target |
|--------------------|---------------|---|----------------|------------------|----------------|
| Livestock Exchange | Utilisation | Number of Sheep Sold through the Hamilton Regional Livestock Exchange | 1,004,719 | 1,000,000 | 1,000,000 |
| Visitor Services | Participation | Number of Visitors to the region | 1,016,200 | 1,070,000 | 1,144,000 |

2.3 Council Plan Theme 3: Plan for our built environment and infrastructure – provide access to infrastructure that meets community needs

To plan for our built environment and infrastructure that is accessible and meets the needs of the community.

We have set the following objectives:

- 3.1 Plan and provide for sustainable assets and infrastructure
- 3.2 Plan, advocate and provide for safe and well maintained transport routes and infrastructure
- 3.3 Develop and maintain attractive and vibrant Council owned and managed open spaces and streetscapes
- 3.4 Encourage and support infrastructure for social inclusion and economic growth

We will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services with the initiatives, major initiatives and service performance indicators for each business area described below.

| Service areas | Description of services provided | 2017/18 | 2018/19 |
|---|--|--|--|
| | | Budget Expenditure (Revenue) Net Cost \$'000 | Budget Expenditure (Revenue) Net Cost \$'000 |
| Community Buildings | This service supports the use of community buildings, including halls and showgrounds throughout the Shire by ensuring they are maintained adequately. | 285 <u>(12)</u> 273 | 312 <u>(12)</u> 300 |
| Strategic Planning | This service monitors the Council's Planning Scheme as well as preparing major policy documents shaping the future of the Shire. It prepares and processes amendments to the Council Planning Scheme and carries out research on urban development issues. | 930 <u>(87)</u> 843 | 836 <u>(0)</u> 836 |
| Building Services | This service provides statutory building services including enforcement of the Building Act and Regulation to ensure community safety in the built environment. | 330 <u>(217)</u> 113 | 241 <u>(91)</u> 151 |
| Bridges & Culverts | This service ensures the development and maintenance of the Shires bridges and culverts. | 581 <u>0</u> 581 | 808 <u>0</u> 808 |
| Footpaths and Cycle Ways | This service ensures the development and maintenance of the Shires footpaths and cycle ways. | 530 <u>0</u> 530 | 530 <u>(24)</u> 506 |
| Facilities Management and Property Services | This service ensures Council owned buildings are maintained to acceptable standards, are fit for purpose and compliant with building regulations. | 58 <u>(59)</u> (1) | 29 <u>(60)</u> (31) |
| Playground and Skate Parks | This service creates social spaces for younger people and their families to recreate, and includes provision of age appropriate play activities (including skate parks) and safe playground equipment across the Shire. | 19 <u>0</u> 19 | 19 <u>0</u> 19 |
| Infrastructure Management | This service undertakes design, tendering, contract management and supervision of various works within Council's capital works program. | 1,564 <u>(0)</u> 1,564 | 1,955 <u>(0)</u> 1,955 |
| Statutory Planning | This service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit. | 552 <u>(141)</u> 411 | 439 <u>(103)</u> 336 |
| Plant Management & Operations | This service purchases and maintains Council vehicles, plant and equipment to meet functionality and safety needs and to maximise the performance and minimise operational cost of the fleet. | (79) <u>(135)</u> (213) | 115 <u>(115)</u> 0 |
| Roads | This service aims to ensure responsible management of Council's road infrastructure and compliance with regulatory requirements. | 9,838 <u>(0)</u> 9,837 | 9,920 <u>(8)</u> 9,912 |
| Roadside Assets | This service manages projects that include roadside parking | 000 | 000 |

| Service areas | Description of services provided | 2017/18 Budget Expenditure (Revenue) Net Cost \$'000 | 2018/19 Budget Expenditure (Revenue) Net Cost \$'000 |
|-----------------------|---|---|---|
| | improvements and bus shelters. | <u>0</u> 000 | <u>0</u> 000 |
| Public Infrastructure | This service provides community and visitors with appropriate public infrastructure to meet community needs in relation to location, safety, hygiene, quality and environmental sustainability of public toilets. | 391 <u>0</u> 391 | 390 <u>0</u> 390 |
| Private Works | This service is provided on a case by case basis for private requests for minor works that may not be readily available to the community, for example sealing driveways. | 000 <u>0</u> 000 | 000 <u>0</u> 000 |
| VicRoads Management | Contract This service ensures responsible contract management of Councils VicRoads contract. | 198 <u>(200)</u> (2) | 198 <u>(200)</u> (2) |

Major Initiatives

- 17) Deliver Year 2 of the Flood Impact repairs and reinstatement works
- 18) Deliver the roads and Community infrastructure program
- 19) Implement design stage of Lonsdale Street Structure Plan
- 20) Design Stage 2 Hamilton CBD revitalisation project – Lonsdale St/Melville Oval/Gray Street

Minor Initiatives

- 21) Development and implementation of building Asset Management Plans.
- 22) Further develop and advocate the Hamilton CBD Revitalisation project.
- 23) Implement Hamilton Structure Plan town entrances component.
- 24) Increase diversion of recyclables through Transfer Station upgrades (subject to State-wide direction)

Service Performance Outcome Indicators

| Service | Indicator | Performance Measure | 2016/17 Actual | 2017/18 Forecast | 2018/19 Target |
|--------------------|-----------------|---|-------------------------|---------------------|-------------------|
| Statutory planning | Decision making | Council planning decisions upheld at VCAT | 100.00% One referred | 100% | 100% |
| Roads | Satisfaction | Satisfaction with sealed local roads | 35% | 32% | 35% |

2.4 Council Plan Theme 4: Promote our natural environment – promote a culture that sustains a clean, green and sustainable environment

To promote our natural environment and achieve a culture that sustains a clean, green and sustainable environment.

We have set the following objectives:

- 4.1 Promote and support improved biodiversity and the health of waterways, wetlands, soil and air
- 4.2 Balance environmental protection with Council's support for growth
- 4.3 Promote and provide sustainable waste management services
- 4.4 Develop and implement climate change adaptation strategies to prepare for climate change, especially extreme weather events

We will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services with the initiatives, major initiatives and service performance indicators for each business area described below.

| Service areas | Description of services provided | 2017/18 Budget Expenditure (Revenue) Net Cost \$'000 | 2018/19 Budget Expenditure (Revenue) Net Cost \$'000 |
|------------------------------|---|---|---|
| Landfill | This service manages the disposal of non-recyclable waste within the Shire's Landfill site. | 1,293 <u>(732)</u> 561 | 1,873 <u>(791)</u> 1,082 |
| Transfer Stations | This service manages the waste and recyclables collection process at the designated transfer stations within the Shire. | 450 <u>(90)</u> 360 | 429 <u>(103)</u> 326 |
| Waste & Recycling Collection | This service manages the waste and recyclables collection process within the Shire, including the collection of kerbside bins. | 1,470 <u>(170)</u> 1,300 | 1,388 <u>(154)</u> 1,234 |
| Natural Management Asset | This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance. | 229 <u>(50)</u> 179 | 238 <u>(50)</u> 188 |
| Stormwater / Drainage | This service manages the maintenance and environmental issues associated with the stormwater/drainage networks throughout the Shire. | 373 <u>(0)</u> 373 | 527 <u>(0)</u> 527 |
| Yatchaw Authority Drainage | This service is responsible for the management and maintenance of the Yatchaw Drainage Scheme. | 6 <u>(7)</u> (1) | 6 <u>(7)</u> (1) |
| Quarry | This service is responsible for the sustainability in the supply of materials for road management and the realisation of returns from an economic asset. | 0 <u>(181)</u> (181) | 0 <u>(194)</u> (194) |
| Environmental Sustainability | This service implements Council's Sustainability Strategy and acts as a catalyst for Council and community sustainability actions within the Shire. | 183 <u>(0)</u> 183 | 165 <u>(0)</u> 165 |
| Fire Prevention | This service coordinates fire prevention planning and works in cooperation with other agencies. | 184 <u>(28)</u> 156 | 81 <u>(0)</u> 81 |
| Water | This service manages the Old Hamilton Reservoir and provides a source of non-potable water for irrigation purposes, maintaining sporting grounds and the amenity of the Hamilton Botanic Gardens. | 9 <u>(75)</u> (66) | 49 <u>(75)</u> (26) |

| Service areas | Description of services provided | 2017/18 | 2018/19 |
|----------------------|---|------------------------------|------------------------------|
| | | Budget Expenditure (Revenue) | Budget Expenditure (Revenue) |
| | | Net Cost | Net Cost |
| | | \$'000 | \$'000 |
| Environmental Health | This service improves the health and wellbeing of the community and protects the Shire's environment. | 292 | 344 |
| | | <u>(101)</u> | <u>(102)</u> |
| | | 191 | 242 |

Major Initiatives

- 25) Prioritise and implement key actions from Climate Change Mitigation & Adaptation Study
- 26) Implement key actions from 2018 energy audits at HILAC, Brown Street Business Centre, Hamilton Depot and Market Place.
- 27) Deliver the Waste & Resource Recovery Strategy as adopted by Council including landfill, transfer stations and collection initiatives

Minor Initiatives

- 28) Identify and assign responsibilities to appropriate external Agencies for non-statutory services
- 29) Actively participate in the Barwon South West Resource Recovery Group to leverage funding and project opportunities in waste
- 30) Further develop effective environmental processes that support Council Policy
- 31) Complete capping works at Elijah Street Landfill and implement gas treatment system.

Service Performance Outcome Indicators

| Service | Indicator | Performance Measure | 2016/17 Actual | 2017/18 Forecast | 2018/19 Target |
|------------------|-------------------|--|----------------|------------------|----------------|
| Waste collection | Waste diversion | Kerbside collection waste diverted from landfill | 41.39% | 43% | 43% |
| Food safety | Health and safety | Critical and major non-compliance notifications | 92.31% | 95% | 95% |

2.5 Council Plan Theme 5: Provide governance and leadership – strong leadership, good governance and effective service delivery

To provide good governance and strong leadership and to achieve effective service delivery.

We have set the following objectives:

- 5.1 Provide transparent and responsible governance
- 5.2 Deliver effective advocacy
- 5.3 Create an environment that supports committed and skilled staff
- 5.4 Deliver efficient and customer focused services

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

| Service area | Description of services provided | 2017/18 | 2018/19 |
|-----------------------------------|--|--|--|
| | | Budget Expenditure (Revenue) Net Cost \$'000 | Budget Expenditure (Revenue) Net Cost \$'000 |
| Executive and Councillor Support | This area of governance includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support. | 1,772 <u>(0)</u> 1,772 | 1,927 <u>(100)</u> 1,827 |
| Governance Administration | This service has the responsibility to provide the organisation with appropriate strategic advice on Governance and Property related matters, enabling the organisation to be responsive to the needs of the Council and the community. | 177 <u>0</u> 177 | 146 <u>0</u> 146 |
| Financial Services | This service has the responsibility to provide the organisation with appropriate strategic advice, reporting and internal control on finance related matters. Financial services also provide accounts payable, receivable and rating administration. | (3,783) <u>(351)</u> (4,134) | (3,820) <u>(360)</u> (4,180) |
| Organisational Development | This service has the responsibility to provide the organisation with appropriate advice and administration for all human resource requirements and workforce management including policy development. The Unit also provides a mechanism for continual review and improvement. | 601 <u>0</u> 601 | 752 <u>0</u> 752 |
| Risk Management | This service has the responsibility to provide the organisation with appropriate advice and management of risk and OHS in relation to legal and other community requirements. | 170 <u>0</u> 170 | 204 <u>0</u> 204 |
| Procurement | This service has the responsibility to provide the organisation with appropriate advice, administration and policy on all procurement matters as specified in Section 186A of the Local Government Act 1989. | 180 <u>0</u> 180 | 206 <u>0</u> 206 |
| Communications | The Communications service assists the organisation to facilitate communication across both internal and external stakeholders, and provide high quality information to the community. | 253 <u>0</u> 253 | 294 <u>0</u> 294 |
| Customer Service | The Customer Service is the first point of contact for all communications with Council. This unit aims to provide accurate and a high quality of service to all customers. | 226 <u>0</u> 226 | 226 <u>0</u> 226 |
| Business Systems | The Business Systems unit aims to maximise the organisation's capacity to utilise all its many and diverse systems and is also responsible for the ongoing support of Councils IT requirements necessary to deliver effective services. | 1,373 <u>0</u> 1,373 | 1,482 <u>(5)</u> 1,477 |
| Corporate Buildings and Overheads | This service maintains buildings and grounds of corporate buildings, supports whole of organization administration functions and coordinates centralized purchasing of corporate consumables. | 1,058 <u>0</u> 1,058 | 1,102 <u>0</u> 1,102 |
| Depot Operations and Maintenance | This service coordinates the operation of Council's depots in Hamilton, Coleraine, Balmoral, Cavendish, Dunkeld and Penshurst to support works teams to deliver capital and maintenance | 418 <u>(24)</u> 394 | 393 <u>(22)</u> 371 |

programs.

Major Initiatives

- 32) Implement Year 2 of the Council Plan 2017 – 21
- 33) Continue advocacy on key Council priorities including State and Federal budgets and elections (State 2018 and Federal 2019)
- 34) Provide the environment, appropriate systems and processes to enhance the Customer Experience dealing with Council

Minor Initiatives

- 35) Finalise and implement the Communications Strategy which guides Council's communication efforts
- 36) Invest in our staff and systems to ensure an efficient and effective organisation

Service Performance Outcome Indicators

| Service | Indicator | Performance Measure | 2016/17 Actual | 2017/18 Forecast | 2018/19 Target |
|------------|--------------|-------------------------------------|-------------------|---------------------|-------------------|
| Governance | Satisfaction | Satisfaction with Council decisions | 49 | 50 | 51 |

2.6 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on in the Performance Statement which is prepared at the end of the year as required by Section 132 of the Act and included in the 2018/19 Annual Report.

The Performance Statement will also include reporting on prescribed indicators of financial performance and sustainable capacity, which are not included in this budget report. The prescribed performance indicators contained in the Performance Statement are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement.

The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the Report of Operations.

2.7 Performance Outcome Indicators – Definitions

| Service | Indicator | Performance Measure | Computation |
|---------------------------|-------------------|---|--|
| Maternal and Child Health | Participation | Participation in the MCH service (Percentage of children enrolled who participate in the MCH service) | [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 |
| | | Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service) | [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100 |
| Libraries | Participation | Active library members (Percentage of the municipal population that are active library members) | [Number of active library members / municipal population] x100 |
| Aquatic Facilities | Utilisation | Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population) | Number of visits to aquatic facilities / Municipal population |
| Animal Management | Health and safety | Animal management prosecutions (Number of successful animal management prosecutions) | Number of successful animal management prosecutions |
| Livestock Exchange | Utilisation | Number of sheep sold through the Hamilton Regional Livestock Exchange | Number of Sheep sold through the Livestock Exchange |
| Visitor Services | Participation | Number of Visitors to the region | Number of Actual overnight visitors as per National Visitation Survey |
| Statutory planning | Decision making | Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside) | [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100 |
| Roads | Satisfaction | Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads) | Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads. |
| Waste collection | Waste diversion | Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill) | [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 |
| Food safety | Health and safety | Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council) | [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100 |
| Governance | Satisfaction | Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community) | Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community |

2.8 Reconciliation with budgeted operating result

| | Net Cost (Revenue) \$'000 | Expenditure \$'000 | Revenue \$'000 |
|---|---------------------------------|-----------------------|-------------------|
| Support our Community | 6,592 | 14,764 | (8,173) |
| Develop our Regional Economy and Businesses | 2,519 | 3,869 | (1,351) |
| Plan for our Built Environment | 15,179 | 15,790 | (612) |
| Promote our Natural Environment | 3,630 | 5,106 | (1,476) |
| Provide Governance and Leadership | 2,426 | 2,912 | (487) |
| Total services and initiatives | 30,344 | 42,442 | (12,098) |
| Funding sources | | | |
| Rates and charges | (20,020) | | |
| Victoria Grants Commission | (6,988) | | |
| Capital grants | (17,314) | | |
| Total funding sources | (44,322) | | |
| Corporate Expenses | | | |
| Loan Servicing | 139 | | |
| Total Corporate Expenses | 139 | | |
| (Surplus)/Deficit for the year | (13,839) | | |

3. Financial statements

This appendix presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the years 2018/19 to 2021/22 has been extracted from the Strategic Resource Plan.

The appendix includes the following budgeted information:

- 3.1 Comprehensive Income Statement
- 3.2 Balance Sheet
- 3.3 Statement of Changes in Equity
- 3.4 Statement of Cash Flows
- 3.5 Statement of Capital Works
- 3.6 Statement of Human Resources

3.1 Comprehensive Income Statement

Southern Grampians Shire Council Budgeted Comprehensive Income Statement

For the four years ending 30 June 2022

| | Forecast | Budget | Strategic Resource Plan Projections | | |
|--|-------------------|-----------------|-------------------------------------|-----------------|-----------------|
| | Actual 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | | | | | |
| Rates and charges | 19,118 | 19,607 | 19,999 | 20,399 | 20,807 |
| Statutory fees and fines | 564 | 395 | 399 | 403 | 407 |
| User fees | 5,546 | 5,750 | 5,980 | 6,219 | 6,468 |
| Grants - Operating | 6,895 | 11,281 | 10,359 | 10,566 | 10,777 |
| Grants - Capital | 13,582 | 17,047 | 2,674 | 1,953 | 3,387 |
| Contributions - monetary | - | 267 | 1,078 | 788 | 802 |
| Other income | 3,020 | 2,073 | 1,246 | 1,251 | 1,257 |
| Total Income | 48,725 | 56,420 | 41,734 | 41,579 | 43,904 |
| Expenses | | | | | |
| Employee costs | (16,932) | (16,398) | (16,890) | (17,397) | (17,919) |
| Materials and services | (9,545) | (10,836) | (11,259) | (11,699) | (12,156) |
| Bad and doubtful debts | - | - | (2) | (1) | (1) |
| Depreciation and amortisation | (11,512) | (11,052) | (11,052) | (11,052) | (11,052) |
| Borrowing costs | (165) | (139) | (122) | (206) | (172) |
| Other expenses | (3,480) | (4,156) | (4,353) | (4,581) | (4,628) |
| Total Expenses | (41,634) | (42,581) | (43,678) | (44,937) | (45,928) |
| Surplus/(deficit) for the year | 7,091 | 13,839 | (1,944) | (3,357) | (2,024) |
| Other comprehensive income | | | | | |
| Items that will not be reclassified to surplus or deficit in future periods: | | | | | |
| Items that may be reclassified to surplus or deficit in future periods | - | - | - | - | - |
| Total comprehensive result | 7,091 | 13,839 | (1,944) | (3,357) | (2,024) |

3.2 Balance Sheet

Southern Grampians Shire Council Budgeted Balance Sheet

For the four years ending 30 June 2022

| | Forecast | Budget | Strategic Resource Plan Projections | | |
|--|-----------------------------|-------------------|-------------------------------------|-------------------|-------------------|
| | Actual 2017/18 \$'000 | 2018/19 \$'000 | 2019/20 \$'000 | 2020/21 \$'000 | 2021/22 \$'000 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 15,454 | 7,451 | 3,652 | 91 | (4,078) |
| Trade and other receivables | 4,034 | 4,034 | 3,248 | 3,240 | 3,393 |
| Other financial assets | - | - | - | - | - |
| Inventories | 1,113 | 1,113 | 1,124 | 1,135 | 1,147 |
| Other assets | - | - | - | - | - |
| Total current assets | 20,601 | 12,598 | 8,025 | 4,466 | 462 |
| Non-current assets | | | | | |
| Trade and other receivables | 140 | 140 | 133 | 126 | 120 |
| Investments in associates and joint ventures | - | - | - | - | - |
| Property, infrastructure, plant & equipment | 330,168 | 351,601 | 355,660 | 355,348 | 356,833 |
| Investment property | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| Total non-current assets | 331,408 | 352,841 | 356,893 | 356,574 | 358,053 |
| Total assets | 352,009 | 365,439 | 364,918 | 361,041 | 358,515 |
| Liabilities | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | 2,210 | 2,210 | 1,510 | 1,576 | 1,625 |
| Trust funds and deposits | 197 | 197 | 199 | 201 | 203 |
| Provisions | 7,041 | 7,041 | 4,429 | 4,429 | 4,429 |
| Interest-bearing loans and borrowings | 409 | 425 | 588 | 552 | 586 |
| Total current liabilities | 9,857 | 9,873 | 6,726 | 6,758 | 6,843 |
| Non-current liabilities | | | | | |
| Provisions | 1,442 | 1,442 | 4,054 | 4,054 | 4,054 |
| Interest-bearing loans and borrowings | 1,854 | 1,429 | 3,387 | 2,835 | 2,249 |
| Total non-current liabilities | 3,296 | 2,871 | 7,441 | 6,889 | 6,303 |
| Total liabilities | 13,153 | 12,744 | 14,167 | 13,647 | 13,146 |
| Net assets | 338,856 | 352,695 | 350,751 | 347,394 | 345,370 |
| Equity | | | | | |
| Accumulated surplus | 137,654 | 151,493 | 149,549 | 146,192 | 144,168 |
| Reserves | 201,202 | 201,202 | 201,202 | 201,202 | 201,202 |
| Total equity | 338,856 | 352,695 | 350,751 | 347,394 | 345,370 |
| Revaluation Reserve | 200,463 | 200,463 | 200,463 | 200,463 | 200,463 |
| Other Reserves | 739 | 739 | 739 | 739 | 739 |

3.3 Statement of Changes in Equity

Southern Grampians Shire Council Budgeted Statement of Changes in Equity

| | Total \$'000 | Accumulated Surplus \$'000 | Revaluation Reserve \$'000 | Other Reserves \$'000 |
|---|-----------------|----------------------------------|----------------------------------|-----------------------------|
| 2018/19 | | | | |
| Balance at beginning of the financial year | 338,856 | 137,654 | 200,463 | 739 |
| Surplus/(deficit) for the year | 13,839 | 13,839 | - | - |
| Net asset revaluation increment/(decrement) | - | - | - | - |
| Transfer (to)/from reserves | - | - | - | - |
| Balance at end of financial year | 352,695 | 151,493 | 200,463 | 739 |
| 2019/20 | | | | |
| Balance at beginning of the financial year | 352,695 | 151,493 | 200,463 | 739 |
| Surplus/(deficit) for the year | (1,944) | (1,944) | - | - |
| Net asset revaluation increment/(decrement) | - | - | - | - |
| Transfer (to)/from reserves | - | - | - | - |
| Balance at end of financial year | 350,751 | 149,549 | 200,463 | 739 |
| 2020/21 | | | | |
| Balance at beginning of the financial year | 350,751 | 149,549 | 200,463 | 739 |
| Surplus/(deficit) for the year | (3,357) | (3,357) | - | - |
| Net asset revaluation increment/(decrement) | - | - | - | - |
| Transfer (to)/from reserves | - | - | - | - |
| Balance at end of financial year | 347,394 | 146,192 | 200,463 | 739 |
| 2021/22 | | | | |
| Balance at beginning of the financial year | 347,394 | 146,192 | 200,463 | 739 |
| Surplus/(deficit) for the year | (2,024) | (2,024) | - | - |
| Net asset revaluation increment/(decrement) | - | - | - | - |
| Transfer (to)/from reserves | - | - | - | - |
| Balance at end of financial year | 345,370 | 144,168 | 200,463 | 739 |

3.4 Statement of Cash Flows

Southern Grampians Shire Council Budgeted Statement of Cash Flows

For the four years ending 30 June 2022

| | Forecast | Budget | Strategic Resource Plan Projections | | |
|---|-----------------------------|-----------------------|-------------------------------------|-----------------------|-----------------------|
| | Actual 2017/18 \$'000 | 2018/19 \$'000 | 2019/20 \$'000 | 2020/21 \$'000 | 2021/22 \$'000 |
| | Inflows (Outflows) | Inflows (Outflows) | Inflows (Outflows) | Inflows (Outflows) | Inflows (Outflows) |
| Cash flows from operating activities | | | | | |
| Rates and charges | 19,118 | 19,607 | 20,380 | 20,406 | 20,736 |
| Statutory fees and fines | 564 | 395 | 407 | 403 | 406 |
| User fees | 5,546 | 5,750 | 6,094 | 6,221 | 6,446 |
| Grants - operating | 6,895 | 11,281 | 10,556 | 10,569 | 10,741 |
| Grants - capital | 13,582 | 17,047 | 2,725 | 1,954 | 3,375 |
| Contributions - monetary | - | 267 | 1,078 | 788 | 802 |
| Interest received | 461 | 326 | 163 | 165 | 166 |
| Trust funds and deposits taken | - | - | 2 | 2 | 2 |
| Other receipts | 2,559 | 1,747 | 1,124 | 1,087 | 1,084 |
| Net GST refund / payment | - | - | - | - | - |
| Employee costs | (16,932) | (16,398) | (17,253) | (17,363) | (17,893) |
| Materials and services | (9,545) | (10,836) | (11,513) | (11,688) | (12,151) |
| Trust funds and deposits repaid | - | - | - | - | - |
| Other payments | (3,480) | (4,156) | (4,446) | (4,572) | (4,622) |
| Net cash provided by/(used in) operating activities | 18,768 | 25,030 | 9,315 | 7,973 | 9,092 |
| Cash flows from investing activities | | | | | |
| Payments for property, infrastructure, plant and equipment | (28,027) | (32,946) | (15,711) | (11,355) | (13,168) |
| Proceeds from sale of property, infrastructure, plant and equipment | 255 | 461 | 600 | 615 | 630 |
| Net cash provided by/(used in) investing activities | (27,772) | (32,485) | (15,111) | (10,740) | (12,537) |
| Cash flows from financing activities | | | | | |
| Finance costs | (165) | (139) | (122) | (206) | (172) |
| Proceeds from borrowings | - | - | 2,500 | - | - |
| Repayment of borrowings | (382) | (409) | (380) | (588) | (552) |
| Net cash provided by/(used in) financing activities | (547) | (548) | 1,998 | (794) | (724) |
| Net increase/(decrease) in cash & cash equivalents | (9,551) | (8,003) | (3,799) | (3,561) | (4,169) |
| Cash and cash equivalents at the beginning of the financial year | 25,005 | 15,454 | 7,451 | 3,652 | 91 |
| Cash and cash equivalents at the end of the financial year | 15,454 | 7,451 | 3,652 | 91 | (4,078) |

3.5 Statement of Capital works

Southern Grampians Shire Council Budgeted Capital Works Statement

For the four years ending 30 June 2022

| | Forecast | Budget | Strategic Resource Plan Projections | | |
|--|-----------------------------|-------------------|-------------------------------------|-------------------|-------------------|
| | Actual 2017/18 \$'000 | 2018/19 \$'000 | 2019/20 \$'000 | 2020/21 \$'000 | 2021/22 \$'000 |
| Property | | | | | |
| Land | - | - | - | - | - |
| Land improvements | 50 | 1,665 | 1,622 | - | - |
| Total land | 50 | 1,665 | 1,622 | - | - |
| Buildings | 1,096 | 1,306 | 1,549 | 1,974 | 2,870 |
| Building improvements | 172 | 400 | - | - | - |
| Total buildings | 1,268 | 1,706 | 1,549 | 1,974 | 2,870 |
| Total property | 1,318 | 3,371 | 3,171 | 1,974 | 2,870 |
| Plant and equipment | | | | | |
| Plant, machinery and equipment | 1,918 | 2,568 | 1,926 | 2,028 | 2,136 |
| Fixtures, fittings and furniture | 348 | 30 | 412 | 101 | 179 |
| Computers and telecommunications | 236 | 285 | 6 | 6 | 6 |
| Library books | 70 | 70 | 61 | 62 | 64 |
| Art Collection | 35 | 15 | - | - | - |
| Total plant and equipment | 2,607 | 2,968 | 2,404 | 2,197 | 2,386 |
| Infrastructure | | | | | |
| Roads | 15,299 | 15,836 | 2,920 | 3,042 | 3,301 |
| Bridges | 1,450 | 2,451 | 84 | 89 | 98 |
| Footpaths and cycleways | 513 | 819 | 75 | 88 | 104 |
| Drainage | - | 99 | 17 | 21 | 24 |
| Recreational, leisure and community facilities | 645 | 609 | 657 | 996 | 1,393 |
| Waste management | 2,070 | 3,218 | 1,723 | - | - |
| Parks, open space and streetscapes | - | 1,625 | 3,206 | 1,693 | 2,483 |
| Aerodromes | 163 | - | 4 | 9 | 16 |
| Livestock Exchange | 2,867 | 100 | 1,257 | 1,071 | 319 |
| Other infrastructure | 1,095 | 1,850 | 192 | 176 | 174 |
| Total infrastructure | 24,102 | 26,608 | 10,136 | 7,184 | 7,912 |
| Total capital works expenditure | 28,027 | 32,946 | 15,711 | 11,355 | 13,168 |
| Represented by: | | | | | |
| New asset expenditure | - | 1,143 | - | - | - |
| Asset renewal expenditure | 28,027 | 31,723 | 15,711 | 11,355 | 13,168 |
| Asset expansion expenditure | - | - | - | - | - |
| Asset upgrade expenditure | - | 80 | - | - | - |
| Total capital works | 28,027 | 32,946 | 15,711 | 11,355 | 13,168 |

3.6 Statement of Human Resources

| | Forecast Actual 2017/18 \$'000 | Budget 2018/19 \$'000 | Strategic Resource Plan Projections | | |
|--------------------------------|--------------------------------------|-----------------------------|-------------------------------------|-------------------|-------------------|
| | | | 2019/20 \$'000 | 2020/21 \$'000 | 2021/22 \$'000 |
| Staff Expenditure | | | | | |
| Employee Costs – Operating | 16,932 | 16,398 | 16,890 | 17,397 | 17,919 |
| Employee Costs – Capital | 3,193 | 2,445 | 2,518 | 2,594 | 2,671 |
| Total Staff Expenditure | 20,125 | 18,843 | 19,408 | 19,991 | 20,590 |

| Staff Numbers | FTE | FTE | FTE | FTE | FTE |
|----------------------|------------|------------|------------|------------|------------|
| Employees | 222 | 223 | 223 | 223 | 223 |

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

| Department | Budget 2018/19 \$'000 | Permanent Full Time \$'000 | Part Time & Casual \$'000 |
|--|--------------------------|-------------------------------|------------------------------|
| 1. Support our Community | 6,580 | 3,265 | 3,315 |
| 2. Regional Economy | 1,047 | 893 | 154 |
| 3. Built Environment | 4,063 | 3,383 | 680 |
| 4. Natural Environment | 794 | 423 | 371 |
| 5. Governance | 3,914 | 3,498 | 416 |
| Total Permanent Staff Expenditure | 16,398 | 11,462 | 4,936 |
| Capitalised Labour Costs | 2,445 | | |
| Total Expenditure | 18,843 | | |

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

| Department | Budget 2018/19 FTE | Permanent Full Time FTE | Permanent Part Time FTE |
|--------------------------------|-----------------------|----------------------------|----------------------------|
| 1. Support our Community | 85.93 | 38 | 47.93 |
| 2. Regional Economy | 11.67 | 9 | 2.67 |
| 3. Built Environment | 49.85 | 41 | 8.85 |
| 4. Natural Environment | 8.79 | 4 | 4.79 |
| 5. Governance | 37.27 | 32 | 5.27 |
| Total Staff FTE | 193.51 | 124 | 69.51 |
| Capitalised Labour Costs - FTE | 29.79 | | |
| Total FTE | 223.30 | | |

4. Notes to the Financial Statements

4.1 Comprehensive Income Statement

4.1.1 Rates and Charges

Planning for future rate increases has been an important component of the Strategic Resource Planning process. The State Government have introduced the *Fair Go Rates System* (FGRS) which sets out the maximum amount councils may increase rates in a year. For 2018/19 the FGRS cap has been set at 2.25%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

In developing the Strategic Resource Plan, rates and charges were identified as an important source of revenue, usually accounting for around 40%-45% of the total revenue received by Council annually. However, in 2018/19 this figure is expected to drop to approximately 35% due to the impact of flood recovery funding to support a significantly larger capital works program which is up from a usual \$10 - \$15 million in prior years to \$33 million in 2018/19.

The 2018/19 underlying operating position is adversely impacted by the lack of increase in recurrent government funding, rate capping and continued increases in operating expenditure. It will therefore be necessary to achieve future revenue growth while containing costs in order to achieve a trend back towards a breakeven operating position in future years. The impact of natural disasters, in particular flooding, together with the necessity to develop "regional use" assets which attract capital funding, increase the operational burden to Council.

Total general rates and charges will increase by 2.25%, however the distribution of the increase is not consistent across all charge types and land classifications. Municipal and service charges are increased and rounded to the nearest dollar with the remaining revenue distributed across the properties according the rating policy and land use classification.

A general revaluation has also been received which may move the rate burden between the different land classifications as compared to the previous year.

It is proposed that income raised by all rates and municipal charges will be increased by 2.25% or \$0.398 million over 2017/19 to \$18.167 million.

Whilst service charges will increase by 2.34%, the total revenue increase will only amount to 0.49% increase due to a number of new services paying the higher first year charge in 2017/18.

4.1.1(a) 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 | 2017/18 cents/\$CIV | 2018/19 cents/\$CIV | Change |
|--|------------------------|------------------------|---------|
| General rate 1 for rateable residential properties | 0.005385 | 0.005237 | (2.78%) |
| General rate 1 for rateable rural properties | 0.005385 | 0.005237 | (2.78%) |
| General rate 1 for rateable industrial properties | 0.005385 | 0.005237 | (2.78%) |
| General rate 1 for rateable commercial properties | 0.005385 | 0.005237 | (2.78%) |
| General rate 2 for rateable rural N/S properties | 0.004308 | 0.004190 | (2.78%) |
| General rate 3 for residential rural properties | 0.004308 | 0.004190 | (2.78%) |
| General rate 3 for rural rural properties | 0.004308 | 0.004190 | (2.78%) |
| General rate 3 for industrial rural properties | 0.004308 | 0.004190 | (2.78%) |
| General rate 3 for commercial rural properties | 0.004308 | 0.004190 | (2.78%) |

4.1.1(b) 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 | 2017/18 \$ | 2018/19 \$ | Change \$ | Change % |
|---|-------------------|-------------------|----------------|--------------|
| Residential | 6,960,372 | 6,864,376 | (95,996) | (1.38%) |
| Rural | 7,543,719 | 8,284,084 | 740,365 | 9.81% |
| Industrial | 543,936 | 292,970 | (250,966) | (46.14%) |
| Commercial | 925,303 | 904,338 | (20,965) | (2.27%) |
| Total amount to be raised by general rates | 15,973,330 | 16,345,768 | 372,438 | 2.33% |

4.1.1(c) 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 | 2017/18 Number | 2018/19 Number | Change No. | Change % |
|------------------------------------|-------------------|-------------------|---------------|--------------|
| Residential | 7,212 | 7,212 | - | 0.00% |
| Rural | 3,027 | 3,027 | - | 0.00% |
| Industrial | 248 | 248 | - | 0.00% |
| Commercial | 450 | 450 | - | 0.00% |
| Total number of assessments | 10,937 | 10,937 | - | 0.00% |

4.1.1(d) The basis of valuation to be used is: Capital Improved Value (CIV)

4.1.1(e) 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 | 2017/18 \$ | 2018/19 \$ | Change \$ | Change % |
|----------------------------|----------------------|----------------------|--------------------|--------------|
| Residential | 1,344,391,000 | 1,365,861,000 | 21,470,000 | 1.60% |
| Rural | 1,746,908,000 | 1,972,832,000 | 225,924,000 | 12.93% |
| Industrial | 114,520,000 | 58,034,000 | (56,486,000) | (49.32%) |
| Commercial | 175,067,000 | 175,977,000 | 910,000 | 0.52% |
| Total value of land | 3,380,886,000 | 3,572,704,000 | 191,818,000 | 5.67% |

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

| Type of Charge | Per Rateable Property 2017/18 \$ | Per Rateable Property 2018/19 \$ | Change \$ | Change % |
|----------------|---|---|--------------|-------------|
| Municipal | 192 | 195 | 3 | 1.56% |

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

| Type of Charge | 2017/18 \$ | 2018/19 \$ | Change \$ | Change % |
|----------------|---------------|---------------|--------------|-------------|
| Municipal | 1,793,088 | 1,821,105 | 28,017 | 1.56% |

4.1.1(h) 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 2017/18 \$ | Per Rateable Property 2018/19 \$ | Change \$ | Change % |
|---|--|--|--------------|-------------|
| Kerbside Collection | 257 | 263 | 6 | 2.33% |
| Kerbside Collection – New Service Areas | 427 | N/A | | N/A |
| Organic Waste | 93 | 95 | 2 | 2.15% |

4.1.1(i) 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 | 2017/18 \$ | 2018/19 \$ | Change \$ | Change % |
|---------------------|------------------|------------------|--------------|--------------|
| Kerbside collection | 1,662,285 | 1,668,735 | 6,450 | 0.39% |
| Organic Waste | 106,113 | 107,160 | 1,047 | 0.99% |
| Total | 1,768,398 | 1,775,895 | 7,497 | 0.42% |

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

| | 2017/18 \$ | 2018/19 \$ | Change \$ | Change % |
|---------------------------------------|-------------------|-------------------|----------------|--------------|
| General rates | 15,973,330 | 16,345,768 | 372,438 | 2.33% |
| Municipal charge | 1,793,088 | 1,821,105 | 28,017 | 1.56% |
| Total Rates | 17,766,418 | 18,167,333 | 400,455 | 2.25% |
| Kerbside collection and Organic Waste | 1,768,398 | 1,775,895 | 7,497 | 0.42% |
| Rates and charges | 19,534,816 | 19,942,768 | 407,952 | 2.09% |

4.1.1(k) 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 in use of land such that rateable land becomes non-rateable land and vice versa;
- Changes in use of land such that residential land becomes business land and vice versa.

4.1.1(l) Differential rates

General Rate 1

A differential general rate of 0.005235 cents in the dollar on the capital improved value of all rateable land in the parishes of North Hamilton and South Hamilton, excluding all farm land which comprises part of a single farm enterprise with an area of 40 hectares or more;

General Rate 2

A differential general rate of 0.004188 cents in the dollar on the capital improved value of all rateable farm land in the parishes of North Hamilton and South Hamilton and which comprises part of a single farm enterprise with an area of 40 hectares or more;

General Rate 3

A differential general rate of 0.004188 cents in the dollar on the capital improved value of all other rateable land in the Shire;

Each differential rate will be determined by multiplying the Capital Improved Value of rateable land (categorised by the characteristics described below) by the relevant percentages indicated above

4.1.1(m) Special Rate – Yatchaw Drainage Authority

A Special Rate of 0.000363 cents in the dollar on the capital improved value of all rateable land in the Yatchaw Drainage Area.

4.1.2 Statutory fees and fines

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include such items as building permits, animal registrations and parking fines

| | Forecast 2017/18 \$'000 | Budget 2018/19 \$'000 | Change \$'000 | Change % |
|-----------------------|-------------------------------|-----------------------------|------------------|--------------|
| Building Services | 208 | 84 | (124) | (60%) |
| Environmental Health | 86 | 99 | 13 | 15% |
| Local Laws Operations | 137 | 139 | 2 | 1% |
| Statutory Planning | 71 | 53 | (18) | (25%) |
| Other | 62 | 20 | (42) | (58%) |
| Total | 564 | 395 | (169) | (30%) |

4.1.3 User fees

User charges relate to the recovery of service deliver costs through the charges of fees to users of Council services. These include use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home care services.

| | Forecast 2017/18 \$'000 | Budget 2018/19 \$'000 | Change \$'000 | Change % |
|--|-------------------------------|-----------------------------|------------------|-------------|
| Livestock Exchange | 1,240 | 1,272 | 32 | 3% |
| Quarry | 205 | 194 | (11) | (5%) |
| Community & Children's Services | 1,165 | 1,070 | (95) | (8%) |
| Cultural Services | 440 | 441 | 1 | 0 |
| Hamilton Indoor Leisure & Aquatic Centre | 1,157 | 1,297 | 140 | 12% |
| Waste Services | 845 | 929 | 84 | 10% |
| Regulatory & Compliance | 150 | 195 | 45 | 30% |
| Other User Fees | 344 | 352 | 8 | 2% |
| Total | 5,546 | 5,750 | 204 | 4% |

4.1.4 Grants Operating

Operating Grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council services to ratepayers. A list of operating grants by service and source, classified into current & non-recurrent are included below.

| Operating Grants | Forecast Actual 2017/18 \$'000 | Budget 2018/19 \$'000 | Variance \$'000 | Variance % |
|--|---|-----------------------------|--------------------|---------------|
| Recurrent - Commonwealth Government | | | | |
| Department Treasury & Finance (Victoria Grants Commission Annual Allocation) | 3,557 | 6,988 | 3,431 | 96% |
| Community Services (CHSP & NDIS) | 873 | 896 | 23 | 3% |
| Children's Services (Family Day Care – Child Care Rebate) | 250 | 325 | 75 | 30% |
| Plant Management (Diesel Fuel Rebate Scheme) | 130 | 110 | (20) | (15%) |
| Hamilton Indoor Leisure & Aquatic Centre (Crèche - Child Care Rebate) | 40 | 35 | (5) | (12%) |
| Recurrent - State Government | | | | |
| Art Gallery (Arts Victoria – Operational Grant) | 257 | 260 | 3 | 1% |
| Community Planning, Engagement & Support (L2P Program) | 42 | 38 | (4) | (10%) |
| Environmental Health (MAV – Tobacco Sales Testing) | 15 | 3 | (12) | (80%) |
| Financial Services (State Revenue Office) | 43 | 40 | (3) | (7%) |
| Community Services (HACC) | 355 | 221 | (134) | (28%) |
| Immunisations(CIR Grant) | 5 | 7 | 2 | 40% |
| Library (DEWLP - Public Libraries Funding) | 156 | 158 | 2 | 1% |
| Local Laws Operations (School Crossings) | 53 | 53 | - | - |
| Maternal & Child Health (Operational Grant) | 206 | 250 | 44 | 21% |
| Natural Asset Management (DPCD – Roadside Pest eradication) | 50 | 50 | - | - |
| Performing Arts Centre (Arts Victoria - Operational Grant) | 80 | 80 | - | - |
| Recreation Development & Support (Hamilton Cricket Hub) | 206 | 300 | 94 | 55% |
| Rural Access (Operational Grant)) | 67 | 67 | - | - |
| Total recurrent grants | 6,385 | 9,881 | 3,496 | 54% |
| Non-recurrent - Commonwealth Government | | | | |
| Emergency Management | 0 | 1,320 | 1,320 | |
| Non-recurrent - State Government | | | | |
| Children's Services(DET – Family Day Care) | 55 | - | (55) | - |
| Community Services Management (Walk to School Project) | 10 | - | (10) | - |
| Emergency Management (Flood & Fire Grants) | 350 | 60 | (290) | (83%) |
| Environmental Sustainability (Bioenergy Feasibility Grant) | 30 | - | (30) | - |
| Kindergartens (On for Young & Old Program) | 3 | - | (3) | - |
| Library (Premiers Reading Challenge & Children's' Week) | 25 | 9 | (16) | (64%) |
| Livestock Exchange (Sheep scanning for EID) | 37 | - | (37) | - |
| Meals Services (HACC Funding) | - | 11 | 11 | - |
| Total non-recurrent operating grants | 510 | 1,400 | 890 | 275% |
| Total operating grants | 6,895 | 11,281 | 4,386 | 164% |

4.1.5 Grants - Capital

Capital Grants include all money received from State, Federal and Community sources for the purposes of funding the capital works program. A list of capital grants by service and source, classified into current & non-recurrent are included below.

| Capital Grants | Forecast Actual 2017/18 \$'000 | Budget 2018/19 \$'000 | Variance \$'000 | Variance % |
|--|---|-----------------------------|--------------------|---------------|
| Recurrent - Commonwealth Government | | | | |
| Roads to Recovery | 3,064 | 1,529 | (1,535) | (49%) |
| Recurrent - State Government | | | | |
| | 0 | 0 | | |
| Total recurrent capital grants | 3,064 | 1,529 | (1,535) | (49%) |
| Non-recurrent - Commonwealth Government | | | | |
| Business Systems (Flood Recovery Equipment) | - | 10 | 10 | - |
| Emergency Management (Flood Recover activities) | - | 765 | 765 | - |
| Livestock Exchange (NSRF & MPPL Grants) | 995 | - | (995) | - |
| Parks & Open Spaces (Flood Recovery activities) | - | 60 | 60 | - |
| Flood Recovery Works (Roads, bridges, public assets) | - | 2,925 | 2,925 | - |
| Non-recurrent - State Government | | | | |
| Airport | 25 | - | (25) | - |
| Balmoral Swimming Pool | 9 | - | (9) | - |
| Art Gallery (Masterplan) | 13 | 35 | 22 | 269% |
| Economic Development (Smart Communities Roadmap) | 108 | 32 | (76) | (70%) |
| Flood Recovery Works (Roads, bridges, public assets) | 8,624 | 10,749 | 2,125 | 24% |
| Footpath & Cycleways (Flood Recovery activities) | - | 66 | 66 | - |
| Land Development (Industrial Land Port Fairy Road) | 250 | 250 | - | - |
| Livestock Exchange (Sheep EID – RFID) | 480 | - | (480) | - |
| Pedrina Park (Changerooms & Public Toilets) | 9 | - | (9) | - |
| Plant Management (Flood Recover Equipment) | - | 1 | 1 | - |
| Roadside Assets | 6 | 625 | 619 | - |
| Total non-recurrent capital grants | 10,519 | 15,518 | 4,999 | |
| Total capital grants | 13,583 | 17,047 | 3,464 | |

4.1.6 Other Revenue

Other revenue includes Contributions, reimbursements and other minor sources of revenue for various services provided by Council.

Contributions relate to money received from community groups or other bodies to assist in the funding of both capital and operating Projects. A list of Contributions by service and purpose, classified into capital and operating are show below.

Reimbursements are expenditure that is incurred by Council on behalf of another organisation and then recompensed after the event. Some of the Flood Recovery works have fallen in this category as Insurance reimbursements.

| | Forecast 2017/18 \$'000 | Budget 2018/19 \$'000 | Change \$'000 | Change % |
|--|-------------------------------|-----------------------------|------------------|-------------|
| Operating Contributions/Reimbursements | | | | |
| Contribution – Art Gallery – Works of Art | 38 | 17 | (21) | |
| Contribution – CEO & Executive – Great South Coast Group | - | 100 | 100 | |
| Contribution – Economic Development – Business Programs | 16 | 6 | (10) | |
| Reimbursement – Emergency Management – Fire & Flood Works | 72 | 21 | (51) | |
| Reimbursement – Caravan Parks – Flood Works | 8 | - | (8) | |
| Reimbursement – Hamilton Showgrounds – Flood Works | 3 | - | (3) | |
| Reimbursement – Landfill – Asbestos Removal | 10 | 4 | (6) | |
| Reimbursement – Parks & Urban Spaces – Flood Works | 32 | - | (32) | |
| Reimbursement – Performing Arts Centre – Performance costs | 26 | 35 | 9 | |
| Reimbursement – Plant Management – Flood Works | 9 | - | (9) | |
| Reimbursement – Public Infrastructure – Flood Works | 2 | - | (2) | |
| Reimbursement – Rates & Charges – Pensioner Concessions | 500 | 420 | (80) | |
| Capital Contributions/Reimbursements | | | | |
| Contribution – Botanic Gardens – Bird Aviary | - | 182 | 182 | |
| Contribution – Footpaths – New Schemes | - | 85 | 85 | |
| Reimbursement – Footpaths & Cycleways – Flood Works | 813 | 23 | (790) | |
| Reimbursement – Sports Reserves – Flood Works | 477 | 749 | 272 | |
| Other Operating Revenue | 1,014 | 698 | (316) | |
| Total | 3,020 | 3,038 | 18 | |

4.1.7 Employee costs (\$0.111 million decrease)

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

Operational Employee costs are estimated to increase by \$0.115 million to \$16.398 million compared to 2017/18 Adopted Budget (\$16.283m). This amount is less than the 2017/18 Forecast (\$16.932 million) which is higher than both years budgets due to the impact of a number of matters including additional works, resignations, redundancies, recruitment expenses, industrial relations advice and other associated oncosts. The budget allocation for 2018/19 is actually \$0.534 million less than the 2017/18 forecast.

Other factors impacting employee costs are:

- Annual increment Council's Enterprise Bargaining Agreement (EBA) currently 2% or \$33, \$30 & \$27 in 2016, 2017 & 2018;
- Movement of staff through the banding system; and
- The balance of work carried out between operational projects and capital works.

Employees who work on capital works have their wages and associated oncosts charged to the asset category in the balance sheet of the projects.

| | Forecast 2017/18 \$'000 | Budget 2018/19 \$'000 | Change \$'000 | Change % |
|--|-------------------------------|-----------------------------|------------------|-------------|
| Wages & Salaries (Including casuals & Allowances) | 12,985 | 12,037 | (948) | (7%) |
| Public Holidays, Sick, Annual & Long Service Leave | 1,982 | 2,287 | 305 | 15% |
| Superannuation | 1,333 | 1,478 | 145 | 11% |
| Work Cover Premium & Expenses | 483 | 524 | 41 | 8% |
| Fringe Benefits Tax | 149 | 72 | (77) | (52%) |
| Total | 16,932 | 16,398 | (534) | (3%) |

4.1.8 Materials and services (\$1.137 million increase)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs.

Whilst utility costs continue to escalate, Council has been implementing a number of energy efficient measures which will see the reduction of utilities in some services areas.

| | Forecast 2017/18 \$'000 | Budget 2018/19 \$'000 | Change \$'000 | Change % |
|--|-------------------------------|-----------------------------|------------------|-------------|
| Contractors (Including Flood Recovery Contracts) | 4,683 | 5,991 | 1,308 | 28% |
| Service charges & Consumables | 1,510 | 1,173 | (337) | (22%) |
| Utilities | 959 | 1,013 | 54 | 6% |
| External Consultants & Professionals | 620 | 771 | 151 | 24% |
| Other | 1,773 | 1,888 | 115 | 6% |
| Total | 9,545 | 10,836 | 1,291 | 14% |

4.1.9 Bad and doubtful debts

Bad and doubtful debts are negligible for Council.

4.1.10 Depreciation and amortisation (\$0.46 million decrease)

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains.

Council has estimated the depreciation expense for the 2017/18 year and used this as the basis for the 2018/19 year. This amount is an estimate only as Council constantly re-values assets; however these calculations will not be processed until the end of the 2016/17 financial year.

The majority of the reduction relates to assets which have reached the end of their lives and have been fully depreciated, but still in use, in particular, items of plant & machinery.

| | Forecast 2017/18 \$'000 | Budget 2018/19 \$'000 | Change \$'000 | Change % |
|--------------------------------|-------------------------------|-----------------------------|------------------|-------------|
| Property, Furniture & Fittings | 1,725 | 1,725 | 0 | 0 |
| Plant & Equipment | 1,540 | 1,080 | (460) | (30%) |
| Infrastructure | 6,984 | 6,974 | 0 | 0 |
| Yatchaw Drainage Scheme | 6 | 6 | 0 | 0 |
| Other Assets | 1,267 | 1,267 | 0 | 0 |
| Total | 11,512 | 11,052 | (460) | 0 |

4.1.11 Borrowing costs

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The reduction in borrowing costs results from the planned reduction in borrowings due to repayment of principal in accordance with loan agreements.

No new loans were taken up in 2017/18 and no new borrowings are anticipated in the 2018/19 year.

4.1.12 Other items of expense

Other items of expense relate to a range of unclassified items including contributions to community groups, advertising, insurances and other miscellaneous expenditure items.

Of this increase, \$650k relates to waste disposal costs.

4.1.13 Adjusted underlying deficit

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result.

The adjusted underlying result for the 2018/19 year is a deficit of \$1.946 million which is a decrease of \$1.482 million from the projected 2017/18 year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent or are not matched to operating expenses and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

| | Forecast Actual 2017/18 \$'000 | Budget 2018/19 \$'000 | Variance \$'000 |
|--|---|-----------------------------|--------------------|
| Total income | 48,725 | 56,420 | 7,695 |
| Total expenses | (41,634) | (42,581) | (947) |
| Surplus (deficit) for the year | 7,091 | 13,839 | 6,748 |
| Grants – capital non-recurrent | (10,519) | (15,518) | (4,999) |
| Contributions - non-monetary assets | - | - | - |
| Capital contributions - other sources | - | (267) | (267) |
| Adjusted underlying surplus (deficit) | (3,428) | (1,946) | 1,482 |

4.2 Balance Sheet

4.2.1 Assets

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. These balances are projected to decrease by \$8.003 million during the year mainly due to the value of capital works and capital funding received for multiple year projects.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget. Long term debtors (non-current) relating to loans to community organisations will decrease in accordance with agreed repayment terms.

Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery, inventories or stocks held for sale or consumption in Council's services and other revenues due to be received in the next 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by Council over many years. The \$21.433 million increase in this balance is attributable to the net result of the capital works program (\$32.946 million of additional asset value), less depreciation of assets (\$11.052 million) and sale of plant and equipment (\$0.461 million).

4.2.2 Liabilities

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain consistent with 2017/18 levels.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are also expected to remain constant due to more active management of entitlements despite factoring in an increase for Collective Agreement outcomes.

Interest-bearing loans and borrowings are borrowings of Council. Council is budgeting to repay loan principal of \$0.409 million over the year. Council is not anticipating any borrowings in the 2018/19 year, but has indicated it may borrow in the 2019/20 year in the Strategic Resource Plan projections.

4.2.3 Borrowings

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

| | 2017/18 \$ | 2018/19 \$ |
|---|---------------|---------------|
| Total amount borrowed as at 30 June of the prior year | 2,645 | 2,263 |
| Total amount to be borrowed | - | - |
| Total amount projected to be redeemed | 382 | 409 |
| Total amount proposed to be borrowed as at 30 June | 2,263 | 1,854 |

3.1.3 Working Capital

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

Councils' working capital for 2018/19 is \$2.725 million (Current assets \$12.598 million less current liabilities \$9.873 million).

Some of Council's cash assets are restricted in that they are required by legislation to be held in reserve for specific purposes or are held to fund carry forward capital works from the previous financial year.

4.3 Statement of Changes in Equity

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations; and
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed.

| | Forecast Actual 2017/18 \$'000 | Budget 2018/19 \$'000 | Variance \$'000 |
|--|---|-----------------------------|--------------------|
| Accumulated Surplus | 137,654 | 151,493 | 13,839 |
| Reserve – Asset Revaluation | 200,463 | 200,463 | - |
| Reserve - Open Space/Subdividers Contributions | 233 | 233 | - |
| Reserve – Parking Development | 98 | 98 | - |
| Reserve – Drainage Headworks | 97 | 97 | - |
| Reserve – Waste Management | 311 | 311 | - |
| | 338,856 | 352,695 | 13,839 |

Subdividers Contributions are in lieu of provision of recreational land within a subdivision. These funds are used to develop strategically located parks and reserves for the benefit of residents in the general area, as provided in the Subdivision Act 1988 and Planning and Environment Act 1987.

The Parking Development Reserve is in lieu of provision of off-site parking as part of a development. These funds are used for the purchase and development of public access parking in the general area.

The Drainage Headworks Reserve is in lieu of meeting the cost to develop, upgrade and/or renew drainage infrastructure downstream of any subdivision development, a charge is levied on subdivision developers.

The Waste Levy Reserve is in lieu of meeting the cost to develop, upgrade and/or renew waste infrastructure. A charge is levied on waste fees and transfer stations as waste is deposited in these facilities.

4.4 Statement of Cash Flows

4.4.1 Operating activities

The increase in cash inflows from operating activities is due mainly to increases in operating grants and capital grants.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

| | Forecast Actual 2017/18 \$'000 | Budget 2018/19 \$'000 | Variance \$'000 |
|---|---|-----------------------------|--------------------|
| Surplus (deficit) for the year | 7,091 | 13,839 | 6,748 |
| Depreciation | 11,512 | 11,052 | (460) |
| Loss (gain) on disposal Assets | - | - | - |
| Loss on impairment of Assets | - | - | - |
| Net movement in current assets and liabilities | 165 | 139 | (26) |
| Cash flows available from operating activities | 18,768 | 25,030 | 6,262 |

4.4.2 Investing activities

The increase in payments for investing activities (\$4.919 million) represents the planned increase in capital works expenditure due to reinstatement of flood impacted and other projects from Council's Major Projects Priority Listing.

Proceeds from sale of assets are forecast to increase by \$0.226 million.

4.4.3 Financing activities

For 2018/19 the total of principal repayments is projected to be \$0.409 million and finance charges are projected to be \$0.139 million.

4.4.4 Cash and cash equivalents at end of the year

Overall, total cash and investments is forecast to decrease by \$8.003 million to \$7.451 million as at 30 June 2019, reflecting Council's strategy of using cash and investments to enhance existing and create new infrastructure before borrowing, coupled with expenditure related to flood reinstatement works which are partially funded in the 2017/18 year and carrying forward.

4.4.5 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2019 it will have cash and investments of \$7.451 million, which has been restricted as shown in the following table.

| | Forecast | | Variance \$'000 |
|--|-----------------------------------|--------------------------|--------------------|
| | Actual 2018 \$'000 | Budget 2019 \$'000 | |
| | Total cash and investments | 15,454 | |
| Restricted cash and investments | | | |
| - Statutory reserves | - | - | |
| - Trust funds and deposits | 197 | 197 | |
| Unrestricted cash and investments | 15,257 | 7,254 | |
| Discretionary Reserves/Funds | | | |
| - Discretionary reserves – See Note 4.3 | 739 | 739 | |
| - Sir Irving Benson Bequest | 671 | 671 | |
| - Defined Benefit Shortfall | 2,000 | 2,400 | |
| - Landfill Rehabilitation | 2,250 | 150 | |
| - Long Service Leave Entitlement | 3,000 | 3,000 | |
| Unrestricted cash adjusted for discretionary reserves | 6,597 | 294 | |

4.4.5a Statutory reserves

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes.

4.4.5b Trust Funds & Deposits

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes.

4.4.5c Discretionary reserves/Funds

These funds are shown as discretionary reserves as, although not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and unless there is a Council resolution these funds should be used for those earmarked purposes. Each of these reserves/funds are backed by cash investments.

4.4.5d Unrestricted cash adjusted for discretionary reserves

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.

4.5 Capital Works Program

4.5.1 Funding sources

| Sources of Funding | Forecast Actual 2017/18 \$'000 | Budget 2018/19 \$'000 | Variance \$'000 | Variance % |
|-------------------------------------|---|-----------------------------|--------------------|---------------|
| Grants | 13,582 | 17,047 | 3,465 | 26% |
| Contributions | - | 267 | 267 | - |
| Reimbursements | 1,290 | 772 | (518) | (40%) |
| Borrowings | - | - | - | - |
| Council cash | | | | |
| - proceeds from sale of assets | 255 | 461 | 206 | 81% |
| - reserve cash and investments | - | - | - | - |
| - unrestricted cash and investments | 12,900 | 14,399 | 981 | 12% |
| Total funding sources | 28,027 | 32,946 | 4,919 | 18% |

4.5.1a Grants

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants and contributions are budgeted to be received for the reinstatement of flood damaged assets, Roads to Recovery, Industrial Estate Development, Livestock Exchange Development, Cox Street Redevelopment and other minor grants. See Section 5 for more details by project.

4.5.1b Council cash - proceeds from sale of assets

Proceeds from sale of assets include construction fleet and motor vehicle sales.

4.5.1c Council cash - reserve cash and investments

Council has significant cash reserves set aside for specific purposes such as waste management, public open space and car parking development. It is not anticipated to spend any of these funds in 2018/19.

4.5.1d Council cash - unrestricted cash and investments

In addition to reserve investments, Council has uncommitted cash and investments which represent unrestricted cash and investments.

5. Detailed capital works

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|---|-------------------------|---------------------------|------------------|------------------|---------------|----------------|-----------|------------------|--------------------------------------|--------------------|
| Property, Plant & Equipment | | | | | | | | | | |
| Property | | | | | | | | | | |
| Land | | | | | | | | | | |
| Industrial Estate Development | | 1,650,000 | | 1,650,000 | | | | (250,000) | | (1,400,000) |
| | | 1,650,000 | | 1,650,000 | | | | (250,000) | | (1,400,000) |
| Buildings | | | | | | | | | | |
| Flood - Building works - Insured | 50,000 | | | 50,000 | | | | | | (50,000) |
| Flood - Coleraine - Bowls Club Restump & Refloor | 340,500 | | | 340,500 | | | | | (178,500) | (162,000) |
| Priority Building Works from Condition Assessments | | | 750,000 | 750,000 | | | | | | (750,000) |
| Melville Oval Grandstand | | | 150,000 | 150,000 | | | | | | (150,000) |
| Cavendish Public Toilets | | 20,000 | | 20,000 | | | | | | (20,000) |
| Glenthompson Toilet upgrade | | | 20,000 | 10,000 | 10,000 | | | | | (20,000) |
| Pedrina Park Pavilion | | 100,000 | | | | 100,000 | | | | (100,000) |
| | 390,500 | 120,000 | 920,000 | 1,320,500 | 10,000 | 100,000 | | | (178,500) | (1,252,000) |
| Building Improvements | | | | | | | | | | |
| HILAC Floor Resurfacing | | | 10,000 | 10,000 | | | | | | (10,000) |
| Ansett Museum | | 50,000 | | 50,000 | | | | | | (50,000) |
| Emerging Priorities | | | 150,000 | 150,000 | | | | | | (150,000) |
| HILAC Pool Entry modifications | | | 25,000 | 25,000 | | | | | | (25,000) |
| | | 50,000 | 185,000 | 235,000 | | | | | | (235,000) |
| Total Property | 390,500 | 1,820,000 | 1,105,000 | 3,205,500 | 10,000 | 100,000 | | (250,000) | (178,500) | (2,887,000) |
| Plant & Equipment | | | | | | | | | | |
| Plant, Machinery & Equipment | | | | | | | | | | |
| Flood - Plant & Equipment - Insured | 10,000 | | | 10,000 | | | | (10,000) | | |
| Heavy Plant Fleet - Incomplete purchases from 2017/18 | | 270,000 | | 270,000 | | | | | (36,000) | (234,000) |
| Light Passenger Fleet | | | 466,944 | 466,944 | | | | | (233,472) | (233,472) |
| Replacement Plant 33 Howard Slasher | | | 25,000 | 25,000 | | | | | (1,000) | (24,000) |
| Replacement Plant 147 Mitsubishi Grader | | | 495,000 | 495,000 | | | | | (30,000) | (465,000) |

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|---|-------------------------|---------------------------|------------------|------------------|---------------|----------------|-----------|------------------|--------------------------------------|--------------------|
| Replacement Plant 157 Isuzu Dual Cab Construction Truck | | | 121,000 | 121,000 | | | | | (20,000) | (101,000) |
| Replacement Plant 158 Mack Tandem Tipper | | | 195,000 | 195,000 | | | | | (40,000) | (155,000) |
| Replacement Plant 159 Hercules Tipping Dog Trailer | | | 85,000 | 85,000 | | | | | (12,000) | (73,000) |
| Replacement Plant 184 Isuzu FRR 600 Patrol Truck | | | 250,000 | 250,000 | | | | | (35,000) | (215,000) |
| Replacement Plant 343 Mitsubishi Triton Ute | | | 45,000 | 45,000 | | | | | (10,000) | (35,000) |
| Replacement Plant 371 John Deere 72" Front Deck Mower | | | 55,000 | 55,000 | | | | | (12,000) | (43,000) |
| Replacement Plant 372 John Deere 72" Front Deck Mower | | | 55,000 | 55,000 | | | | | (12,000) | (43,000) |
| Replacement Plant 393 Mazda Dual Cab Tipper | | | 45,000 | 45,000 | | | | | (20,000) | (25,000) |
| New Plant - Jetpatcher | | | 400,000 | | | 400,000 | | | | (400,000) |
| Replacement of Pool Pump at HILAC | | | 25,000 | 25,000 | | | | | | (25,000) |
| 3T loading hoists x 5 at Livestock Exchange | | | 25,000 | 25,000 | | | | | | (25,000) |
| Fixtures, Fittings & Furniture | 10,000 | 270,000 | 2,287,944 | 2,167,944 | | 400,000 | | (10,000) | (461,472) | (2,096,472) |
| Fly Tower Cage at Performing Arts Centre | | | 30,000 | | 30,000 | | | | | (30,000) |
| | | | 30,000 | | 30,000 | | | | | (30,000) |
| Computers & Telecommunications | | | | | | | | | | |
| Annual IT asset replacments | | | 15,000 | 15,000 | | | | | | (15,000) |
| Replacement Phone System | | | 20,000 | 20,000 | | | | | | (20,000) |
| Smart Community Roadmap (Phase 0) | | 250,000 | | | | 250,000 | | (32,200) | | (217,800) |
| | | 250,000 | 35,000 | 35,000 | | 250,000 | | (32,200) | | (252,800) |
| Library Books | | | | | | | | | | |
| Library Books & Materials Purchases | | | 70,000 | 70,000 | | | | | | (70,000) |
| | | | 70,000 | 70,000 | | | | | | (70,000) |
| Total Plant & Equipment | 10,000 | 520,000 | 2,422,944 | 2,272,944 | 30,000 | 650,000 | | (42,200) | (461,472) | (2,449,272) |
| | | | | | | | | | | |
| Total Property, Plant & Equipment | 400,500 | 2,340,000 | 3,527,944 | 5,478,444 | 40,000 | 750,000 | | (292,200) | (639,972) | (5,336,272) |

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|--|-------------------------|---------------------------|-------------|------------|---------|-----|-----------|--------------|--------------------------------------|-----------|
| Infrastructure | | | | | | | | | | |
| Roads | | | | | | | | | | |
| Flood - Roads - Reinstate | 11,529,265 | | | 11,529,265 | | | | (12,602,165) | | 1,072,900 |
| Roads to Recovery Funding for Local Roads & Bridges - Not specifically allocated | | | | | | | | (1,528,160) | | 1,528,160 |
| Gravel Re-Sheeting - Ardachy Estate Rd - 5090 to 6000 - (AID 5550) | | | 12,220 | 12,220 | | | | | | (12,220) |
| Gravel Re-Sheeting - Beveridges Rd - 5445 to 6770 - (AID 5601) | | | 30,030 | 30,030 | | | | | | (30,030) |
| Gravel Re-Sheeting - Church Lane - 7970 to 8880 - (AID 5699,5700) | | | 59,540 | 59,540 | | | | | | (59,540) |
| Gravel Re-Sheeting - Kurtzes Rd - 810 to 1630 - (AID 5997) | | | 21,320 | 21,320 | | | | | | (21,320) |
| Gravel Re-Sheeting - L Schultz Rd - 0 to 3150 - (AID 6000,6001,6002) | | | 76,700 | 76,700 | | | | | | (76,700) |
| Gravel Re-Sheeting - Langes Lane - 0 to 2160 - (AID 6119,6120) | | | 36,140 | 36,140 | | | | | | (36,140) |
| Gravel Re-Sheeting - Madins Rd - 0 to 2830 - (AID 6018,6019,6020) | | | 66,560 | 66,560 | | | | | | (66,560) |
| Gravel Re-Sheeting - McLeods Lane - 0 to 2480 - (AID 23555,23554,23553) | | | 58,760 | 58,760 | | | | | | (58,760) |
| Gravel Re-Sheeting - Puckles Rd - 0 to 270 - (AID 6256) | | | 5,720 | 5,720 | | | | | | (5,720) |
| Gravel Re-Sheeting - Sharrocks Lane - 3660 to 4910 - (AID 6541,6542) | | | 32,500 | 32,500 | | | | | | (32,500) |
| Gravel Re-Sheeting - Worthys Rd - 0 to 180 - (AID 6518) | | | 4,680 | 4,680 | | | | | | (4,680) |
| Urban Rd Rehab - Bree Rd - 311 to 584 (AID 3427) | | | 82,813 | 82,813 | | | | | | (82,813) |
| Urban Rd Rehab - Dickens St Hamilton - 0 to 185 (AID 3766) | | | 62,557 | 62,557 | | | | | | (62,557) |
| Urban Rd Rehab - Fenton St 427 to 662 (AID 3827) | | | 78,140 | 78,140 | | | | | | (78,140) |
| Urban Rd Rehab - Lonsdale St 2 - 435 to 483 (AID 4318) | | | 10,887 | 10,887 | | | | | | (10,887) |
| Urban Rd Rehab - Tulse Hill Settlement Rd - 0 to 545 (AID 5368) | | | 70,910 | 70,910 | | | | | | (70,910) |
| Urban Rd Rehab - Gray St Hamilton - 1787 to 2167 (AID 4018 & 4019 & 4020) | | | 126,837 | 126,837 | | | | | | (126,837) |
| Urban Rd Rehab - Shire Depot West C/P - 0 to 42 (AID 33839) | | | 48,700 | 48,700 | | | | | | (48,700) |
| Rural Rd Rehab - Branxholme-Byaduk Rd 14700 to 16090 (AID 3424 & 3425) | | | 180,631 | 180,631 | | | | | | (180,631) |
| Rural Rd Rehab - Carapook Rd - 10330 to 10655 (AID 3415) | | | 42,447 | 42,447 | | | | | | (42,447) |
| Rural Rd Rehab - Careys Ranges Rd - 5400 to 6510 (AID 3523) | | | 144,007 | 144,007 | | | | | | (144,007) |
| Rural Rd Rehab - Gellerts Rd - 150 to 790 (AID 3965) | | | 83,200 | 83,200 | | | | | | (83,200) |
| Rural Rd Rehab - McIntyres Crossing Rd - 0 to 2665 (AID 4598 & 4599) | | | 345,584 | 345,584 | | | | | | (345,584) |
| Rural Rd Rehab - Tabor Rd - 5905 to 7180 (AID 5324) | | | 169,234 | 169,234 | | | | | | (169,234) |
| Rural Rd Rehab - Winninburn Rd - 34345 to 5130 (AID 5511 & 5436) | | | 256,820 | 256,820 | | | | | | (256,820) |
| Reseals - A McIntyres Rd - 220 to 300 (AID 6628) | | | 2,240 | 2,240 | | | | | | (2,240) |

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|---|-------------------------|---------------------------|-------------|---------|---------|-----|-----------|--------|--------------------------------------|-----------|
| Reseals - A McIntyres Rd - 710 to 780 (AID 6627) | | | 1,155 | 1,155 | | | | | | (1,155) |
| Reseals - Balochile Rd - 0 to 1970 (AID 7281, 7280) | | | 40,000 | 40,000 | | | | | | (40,000) |
| Reseals - Balochile Rd - 2530 to 3000 (AID 7277) | | | 7,991 | 7,991 | | | | | | (7,991) |
| Reseals - Balochile Rd - 10135 to 10300 (AID 7704) | | | 2,805 | 2,805 | | | | | | (2,805) |
| Reseals - Boram Boram Lane - 1640 to 2150 (AID 7636) | | | 9,435 | 9,435 | | | | | | (9,435) |
| Reseals - Branxholme-Byaduk Rd - 9065 to 10515 (AID 7614) | | | 26,100 | 26,100 | | | | | | (26,100) |
| Reseals - Branxholme-Byaduk Rd - 14285 to 14700 (AID 7055) | | | 7,885 | 7,885 | | | | | | (7,885) |
| Reseals - Carapook Rd - 8840 to 10330 (AID 7501, 7502) | | | 27,911 | 27,911 | | | | | | (27,911) |
| Reseals - Carapook Rd- 10655 to 13305 (AID 18478, 7513) | | | 66,964 | 66,964 | | | | | | (66,964) |
| Reseals - Englefield Rd - 0 to 4190 (AID 7721, 7678, 7679) | | | 80,955 | 80,955 | | | | | | (80,955) |
| Reseals - Forest La - 6735 to 9330 (AID 7093, 7094) | | | 49,685 | 49,685 | | | | | | (49,685) |
| Reseals - Hillview Rd - 7430 to 8245 (AID 7321, 7320) | | | 23,133 | 23,133 | | | | | | (23,133) |
| Reseals - Hillview Rd - 10500 to 10660 (AID 7134) | | | 4,000 | 4,000 | | | | | | (4,000) |
| Reseals - Kenny St - 1821 to 2518 (AID 8602) | | | 18,122 | 18,122 | | | | | | (18,122) |
| Reseals - Knapdale Lane - 0 to 375 (AID 7208) | | | 10,700 | 10,700 | | | | | | (10,700) |
| Reseals - Kurtzes Rd - 240 to 310 (AID 8573) | | | 1,960 | 1,960 | | | | | | (1,960) |
| Reseals - Loats Rd - 715 to 1455 (AID 8639) | | | 14,060 | 14,060 | | | | | | (14,060) |
| Reseals - Loats Rd - 2075 to 2665 (AID 8646) | | | 11,211 | 11,211 | | | | | | (11,211) |
| Reseals - Lower Hilgay Rd - 5550 to 8270 (AID 8671, 8670) | | | 52,455 | 52,455 | | | | | | (52,455) |
| Reseals - Middle Hilgay Rd - 1150 to 1950 (AID 8912) | | | 14,440 | 14,440 | | | | | | (14,440) |
| Reseals - Mirranatwa School Rd - 0 to 1375 (AID 8855) | | | 26,315 | 26,315 | | | | | | (26,315) |
| Reseals - Montana Rd - 3890 to 5675 (AID 8967, 8946) | | | 35,835 | 35,835 | | | | | | (35,835) |
| Reseals - Morgiana Rd - 5700 to 7235 (AID 8917) | | | 29,165 | 29,165 | | | | | | (29,165) |
| Reseals - Murndal Rd - 0 to 460 (AID 6628) | | | 8,971 | 8,971 | | | | | | (8,971) |
| Reseals - Racecourse Rd Coleraine - 0 to 819 (AID 7780, 23941) | | | 16,926 | 16,926 | | | | | | (16,926) |
| Reseals - Research Station Rd - 0 to 415 (AID 23939) | | | 7,885 | 7,885 | | | | | | (7,885) |
| Reseals - Rudolphs La - 0 to 3550 (AID 8114, 7900, 7899, 7898) | | | 67,315 | 67,315 | | | | | | (67,315) |
| Reseals - Steep Gully Rd - 1515 to 3040 (AID 7882) | | | 28,213 | 28,213 | | | | | | (28,213) |
| Reseals - Tabor Rd - 4475 to 5905 (AID 7970) | | | 26,455 | 26,455 | | | | | | (26,455) |
| Reseals - Tarrenlea Wannon Rd - 2835 to 9340 (AID 8314, 8313, 8327, 8317, 8325) | | | 123,324 | 123,324 | | | | | | (123,324) |
| Reseals - Top Hilgay Rd - 0 to 570 (AID 8337) | | | 9,405 | 9,405 | | | | | | (9,405) |
| Reseals - Tulse Hill Settlement Rd - 2330 to 5070 (AID 8293, 8282, 8292) | | | 51,791 | 51,791 | | | | | | (51,791) |

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|---|-------------------------------|---------------------------------|----------------|---------|---------|-----|-----------|--------|--|-----------|
| Reseals - William Crn - 0 to 108 (AID 8193) | | | 2,146 | 2,146 | | | | | | (2,146) |
| Reseals - Woodacres - 5570 to 7070 (AID 8265) | | | 30,000 | 30,000 | | | | | | (30,000) |
| Reseals - Yat Nat Rd - 0 to 960 (AID 8279) | | | 18,720 | 18,720 | | | | | | (18,720) |
| Reseals - Old Nigretta Rd - 540 to 1030 (AID 23949) | | | 10,535 | 10,535 | | | | | | (10,535) |
| Reseals - Yatchaw Rd - 6255 to 6995 (AID 8229) | | | 14,060 | 14,060 | | | | | | (14,060) |
| Urban Rd Reseal - Nareen Rd - 0 to 11855 | | | 284,515 | 284,515 | | | | | | (284,515) |
| Urban Rd Reseal - Beath St - 311 to 495 - (AID 22964) | | | 3,680 | 3,680 | | | | | | (3,680) |
| Urban Rd Reseal - Beggs Crn - 0 to 45 - (AID 7688) | | | 3,351 | 3,351 | | | | | | (3,351) |
| Urban Rd Reseal - Bell St Peshurst - 845 to 1088 - (AID 6984) | | | 5,831 | 5,831 | | | | | | (5,831) |
| Urban Rd Reseal - Chaucer St - 140 to 428 - (AID 7465, 7466) | | | 14,064 | 14,064 | | | | | | (14,064) |
| Urban Rd Reseal - Chesswas St - 0 to 835 - (AID 7468, 7469, 7470) | | | 31,445 | 31,445 | | | | | | (31,445) |
| Urban Rd Reseal - Clarendon St - 214 to 224 - (AID 7442) | | | 10,640 | 10,640 | | | | | | (10,640) |
| Urban Rd Reseal - Francis St - 299 to 517 - (AID 7099) | | | 10,369 | 10,369 | | | | | | (10,369) |
| Urban Rd Reseal - French St 1 - 0 to 65 - (AID 7110) | | | 2,860 | 2,860 | | | | | | (2,860) |
| Urban Rd Reseal - Gray St Hamilton - 0 to 430 - (AID 6929, 6928) | | | 24,034 | 24,034 | | | | | | (24,034) |
| Urban Rd Reseal - Kent Rd - 703 to 999 - (AID 8606, 8629) | | | 14,800 | 14,800 | | | | | | (14,800) |
| Urban Rd Reseal - Kent Rd - 1150 to 1338 - (AID 8627) | | | 9,400 | 9,400 | | | | | | (9,400) |
| Urban Rd Reseal - Leahy St - 0 to 249 - (AID 8564) | | | 8,695 | 8,695 | | | | | | (8,695) |
| Urban Rd Reseal - Leopold Ave - 226 to 348 - (AID 8051) | | | 4,159 | 4,159 | | | | | | (4,159) |
| Urban Rd Reseal - Lewis St Hamilton - 0 to 1220 - (AID 18552, 18551, 18550, 8665) | | | 42,846 | 42,846 | | | | | | (42,846) |
| Urban Rd Reseal - Lonsdale St 2 - 0 to 213 - (AID 8647) | | | 10,404 | 10,404 | | | | | | (10,404) |
| Urban Rd Reseal - Mt Napier Rd 1 Urban - 140 to 305 - (AID 8717) | | | 8,745 | 8,745 | | | | | | (8,745) |
| Urban Rd Reseal - Park/College St - 0 to 200 - (AID 8059) | | | 4,691 | 4,691 | | | | | | (4,691) |
| Urban Rd Reseal - Payne St - 0 to 530 - (AID 22452, 23944, 23953) | | | 13,420 | 13,420 | | | | | | (13,420) |
| Urban Rd Reseal - Pilleau St Pt 2 - 883 to 1219 - (AID 8034, 8049) | | | 20,846 | 20,846 | | | | | | (20,846) |
| Urban Rd Reseal - Read St - 0 to 100 - (AID 8069) | | | 5,354 | 5,354 | | | | | | (5,354) |
| Urban Rd Reseal - Read St - 250 to 377 - (AID 8066) | | | 12,600 | 12,600 | | | | | | (12,600) |
| Urban Rd Reseal - Read St - 508 to 638 - (AID 8064) | | | 6,631 | 6,631 | | | | | | (6,631) |
| Urban Rd Reseal - Read St - 901 to 1310 - (AID 8122, 8121, 8120) | | | 12,522 | 12,522 | | | | | | (12,522) |
| Urban Rd Reseal - Ritchie St Peshurst - 0 to 313 - (AID 34060, 34061) | | | 10,642 | 10,642 | | | | | | (10,642) |
| Urban Rd Reseal - Trangmar St - 653 to 715 - (AID 8388) | | | 1,395 | 1,395 | | | | | | (1,395) |
| Urban Rd Reseal - Trangmar St - 1102 to 1320 - (AID 22463) | | | 4,776 | 4,776 | | | | | | (4,776) |

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|--|-------------------------|---------------------------|-------------|---------|---------|-----|-----------|--------|--------------------------------------|----------|
| Urban Rd Reseal - Tyers St - 144 to 752 - (AID 8410, 8409, 8408, 8407, 8406, 8405) | | | 38,860 | 38,860 | | | | | | (38,860) |
| Urban Rd Reseal - Coleraine Depot North Pavement - 0 to 41 - (AID 33934) | | | 3,485 | 3,485 | | | | | | (3,485) |
| Urban Rd Reseal - Melville Oval Thompson St - 0 to 68 - (AID 34861) | | | 1,836 | 1,836 | | | | | | (1,836) |
| Urban Rd Reseal - Melville Oval Thompson St Entrance 2 - 0 to 58 - (AID 34865) | | | 1,740 | 1,740 | | | | | | (1,740) |
| Urban Rd Reseal - Peshurst Pool Access Road C/P - 0 to 50 - (AID 33802) | | | 925 | 925 | | | | | | (925) |
| Urban Rd Reseal - Winter St - 166 to 282 - (AID 8161) | | | 5,104 | 5,104 | | | | | | (5,104) |
| Urban Rd Reseal - Bree Rd - 0 to 311 (AID 7049) | | | 15,249 | 15,249 | | | | | | (15,249) |
| Urban Rd Reseal - Bree Rd - 584 to 935 (AID 7051, 7701, 7671, 7672) | | | 14,426 | 14,426 | | | | | | (14,426) |
| Urban Rd Reseal - King St - 704 to 1152 (AID 8624, 8614) | | | 22,505 | 22,505 | | | | | | (22,505) |
| Urban Rd Reseal - Gray St Hamilton - 1122 to 1787 (AID 6940, 6941, 6942) | | | 38,724 | 38,724 | | | | | | (38,724) |
| Urban Rd Reseal - Gray St Hamilton - 2167 to 2720 (AID 6953, 23808, 23807) | | | 25,876 | 25,876 | | | | | | (25,876) |
| Final Seal - Archers SS Rd - 0 to 1525 - (AID 7270) | | | 29,100 | 29,100 | | | | | | (29,100) |
| Final Seal - Balochile Rd - 1500 to 5530 - (AID 7274, 7279) | | | 26,500 | 26,500 | | | | | | (26,500) |
| Final Seal - Batesworth Lane - 1480 to 1640 - (AID 23855) | | | 3,200 | 3,200 | | | | | | (3,200) |
| Final Seal - Zig Zag Rd - 0 to 1845 - (AID 8230) | | | 36,900 | 36,900 | | | | | | (36,900) |
| Final Seal - Branxholme-Byaduk Rd - 6500 to 7215 - (AID 7043,7044) | | | 18,200 | 18,200 | | | | | | (18,200) |
| Final Seal - Dens Hills Rd - 6750 to 7370 - (AID 7841,7842) | | | 29,100 | 29,100 | | | | | | (29,100) |
| Final Seal - Forest La - 3735 to 6735 - (AID 7091,7092) | | | 60,000 | 60,000 | | | | | | (60,000) |
| Final Seal - Greens La - 9770 to 10000 - (AID 23806) | | | 4,600 | 4,600 | | | | | | (4,600) |
| Final Seal - Lake Rd - 0 to 985 - (AID 7197) | | | 19,700 | 19,700 | | | | | | (19,700) |
| Final Seal - MacPherson St - 0 to 185 - (AID 18557) | | | 9,400 | 9,400 | | | | | | (9,400) |
| Final Seal - McKellars Rd - 2500 to 3250 - (AID 8454) | | | 15,000 | 15,000 | | | | | | (15,000) |
| Final Seal - Yatchaw Rd - 4220 to 5150 - (AID 8240) | | | 18,600 | 18,600 | | | | | | (18,600) |
| Final Seal - Yarramyjup Rd - 3640 to 4965 - (AID 12020) | | | 26,500 | 26,500 | | | | | | (26,500) |
| Final Seal - Byaduk Ardoon Rd - 0 to 515 - (AID 18501) | | | 10,300 | 10,300 | | | | | | (10,300) |
| Final Seal - Carters Rd - 470 to 570 - (AID 23844) | | | 2,300 | 2,300 | | | | | | (2,300) |
| Final Seal - Den Hills Rd - 0 to 1550 - (AID 7819) | | | 31,000 | 31,000 | | | | | | (31,000) |
| Final Seal - Whyte St P/B Reverse- 1087 to 1250 - (AID 7083) | | | 4,646 | 4,646 | | | | | | (4,646) |
| Final Seal - Nareen Rd - 31190 to 36980 - (AID 6634,6674) | | | 95,800 | 95,800 | | | | | | (95,800) |
| Final Seal - Tarrington-Strathkellar Rd - 4630 to 5750 - (AID 8310) | | | 22,400 | 22,400 | | | | | | (22,400) |

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|--|-------------------------|---------------------------|-------------|------------|---------|---------|-----------|--------------|--------------------------------------|-------------|
| Final Seal - Trangmar St - 431 to 653 - (AID 8389) | | | 4,996 | 4,996 | | | | | | (4,996) |
| | 11,529,265 | | 4,306,892 | 15,836,157 | | | | (14,130,325) | | (1,705,832) |
| Bridges | | | | | | | | | | |
| Nareen Road Bridge over Glenelg River - Mooree Bridge | | | 141,345 | 141,345 | | | | | | (141,345) |
| Louth Swamp Road crossing Weerangout Creek | | | 144,500 | 144,500 | | | | | | (144,500) |
| Nareen Road Bridge over Sugarloaf Creek | | | 215,000 | 215,000 | | | | | | (215,000) |
| Major Culvert Replacement - Branxholme Byaduk Road | | | 120,000 | 120,000 | | | | | | (120,000) |
| Major Culvert Replacement - Hensley Park Road | | | 80,000 | 80,000 | | | | | | (80,000) |
| Major Culvert Replacement - Rudolphs Lane | | | 50,000 | 50,000 | | | | | | (50,000) |
| Flood - Culverts - Reinstale | 700,000 | | | 700,000 | | | | (700,000) | | |
| Flood - Bridges - Reinstale | 1,000,000 | | | 1,000,000 | | | | (1,000,000) | | |
| | 1,700,000 | | 750,845 | 2,450,845 | | | | (1,700,000) | | (750,845) |
| Footpaths & Cycleways | | | | | | | | | | |
| Flood - Tarrington-Hamilton Walking Track | 50,000 | | | 50,000 | | | | (5,000) | | (45,000) |
| Flood - Dunkeld - Salt Creek Board Walks | 165,000 | | | 165,000 | | | | (16,500) | | (148,500) |
| Flood - Coleraine-Hamilton Rail Trail | 190,000 | | | 190,000 | | | | (20,000) | | (170,000) |
| Flood - Cat C - Walking Tracks | 100,000 | | | 100,000 | | | | (20,800) | | (79,200) |
| Dunkeld Loop Walk | | 395,000 | | 395,000 | | | | | | (395,000) |
| Memorial Rd S/R Forward - McLennan 226 to Memorial 369 | | | 18,100 | 18,100 | | | | | | (18,100) |
| Mt Baimbridge Rd (Henty Highway) - Tennyson 261 to Smith 387 | | | 24,882 | 24,882 | | | | | | (24,882) |
| School C/P - Natimuk Hamilton Rd 0 to Simson St 100 | | | 8,795 | 8,795 | | | | | | (8,795) |
| Simson St - Coleraine Rd 153 to Natimuk Hamilton Rd 210 | | | 16,340 | 16,340 | | | | | | (16,340) |
| Victoria Park Pathway 1 - Terrill Dr 0 to Martin St 123 | | | 1,181 | 1,181 | | | | | | (1,181) |
| Victoria Park Pathway 2 - Terrill Dr 0 to McIntyre St 225 | | | 2,160 | 2,160 | | | | | | (2,160) |
| Young St Hamilton - Lewis 1285 to Andrews 1670 | | | 20,981 | 20,981 | | | | | | (20,981) |
| Ballarat Rd P/B Forward - Rippon 1005 to Tatlock 1622 | | | 56,800 | 56,800 | | | | | | (56,800) |
| Concrete footpath: GoldSmith Street | | | 25,000 | | | 25,000 | | (10,000) | | (15,000) |
| Concrete footpath: Kent Road | | | 72,000 | | | 72,000 | | (36,000) | | (36,000) |
| Concrete footpath: Hensley Park Road | | | 78,000 | | | 78,000 | | (39,000) | | (39,000) |
| | 505,000 | 395,000 | 324,239 | 1,049,239 | | 175,000 | | (62,300) | (85,000) | (1,076,939) |

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|--|-------------------------|---------------------------|-------------|-----------|---------|---------|-----------|--------|--------------------------------------|-------------|
| Drainage | | | | | | | | | | |
| White Ave - George St to Woodbridge St Left Side (AID 13016) | | | 23,400 | 23,400 | | | | | | (23,400) |
| White Ave - George St to Woodbridge St Right Side (AID 12992) | | | 21,600 | 21,600 | | | | | | (21,600) |
| George St - Tantallon to White St Right Side (AID 12470) | | | 20,700 | 20,700 | | | | | | (20,700) |
| George St - White to Cameron Right Side (AID 28403) | | | 7,200 | 7,200 | | | | | | (7,200) |
| George St - McMillan to Surface Change - Right Side (AID 28406) | | | 6,660 | 6,660 | | | | | | (6,660) |
| Bree Rd - King to Beggs - Left Side (AID 12746) | | | 9,000 | 9,000 | | | | | | (9,000) |
| Bree Rd - King to Beggs - Left Side (AID 12742) | | | 10,800 | 10,800 | | | | | | (10,800) |
| | | | 99,360 | 99,360 | | | | | | (99,360) |
| Recreational, Leisure & Community Facilities | | | | | | | | | | |
| Flood - Coleraine Tennis Courts Rebuild | 680,000 | | | 680,000 | | | | | (365,403) | (314,597) |
| Flood - Coleraine Netball Courts Rebuild | 230,000 | | | 230,000 | | | | | (203,000) | (27,000) |
| Flood - Cat C - Sporting & Recreation facilities | 72,000 | | | 72,000 | | | | (975) | | (71,025) |
| Outdoor Pools - Renewal Program | | | 202,000 | 202,000 | | | | | | (202,000) |
| Pedrina Park Irrigation | | | 50,000 | | 50,000 | | | | | (50,000) |
| | 982,000 | | 252,000 | 1,184,000 | 50,000 | | | (975) | (568,403) | (664,622) |
| Waste Management | | | | | | | | | | |
| Hamilton Refuse Transfer Station - Development | | | 1,450,000 | 1,450,000 | | | | | | (1,450,000) |
| Hamilton Landfill - Progressive Rehabilitation works | | 1,440,000 | | 1,440,000 | | | | | | (1,440,000) |
| Coleraine Landfill - Rehabilitation | | | 250,000 | | | 250,000 | | | | (250,000) |
| Hamilton Landfill - Hydro Geological Assessment Bore Recommendations | | 15,000 | | | | 15,000 | | | | (15,000) |
| Coleraine Transfer Station - Reduce Drop off Height | | | 18,000 | | | 18,000 | | | | (18,000) |
| Hamilton Landfill - Improvements to Southern Dam Area | | | 60,000 | | | 60,000 | | | | (60,000) |
| | | 1,455,000 | 1,778,000 | 2,890,000 | | 343,000 | | | | (3,233,000) |

| | Flood Restoration Works | Carry Forward/ Continuing | New Project | Renewal | Upgrade | New | Expansion | Grants | Contributions /Reimbursements /Sales | Council |
|---|-------------------------|---------------------------|-------------------|-------------------|---------------|-------------------|-----------|---------------------|--------------------------------------|---------------------|
| Parks, Open Space & Streetscapes | | | | | | | | | | |
| Flood - Wannon Falls Rec Reserve | 20,000 | | | 20,000 | | | | (2,000) | | (18,000) |
| Flood - Nigretta Falls Rec Reserve | 20,000 | | | 20,000 | | | | (2,000) | | (18,000) |
| Hamilton Botanic Gardens - Construction of Aviary | | 160,000 | | 160,000 | | | | | (181,818) | 21,818 |
| Penshurst Botanic Gardens - Master Plan Improvements | | | 50,000 | | | 50,000 | | | | (50,000) |
| Hamilton Structure Plan Implementation (Town entries) | | | 125,000 | 125,000 | | | | | | (125,000) |
| Arts & Cultural Precinct - Art Gallery Master Plan | | 200,000 | | | | 200,000 | | (35,000) | | (165,000) |
| Cox Street Redevelopment | | 1,250,000 | | 1,250,000 | | | | (625,000) | | (625,000) |
| | 40,000 | 1,610,000 | 175,000 | 1,575,000 | | 250,000 | | (664,000) | (181,818) | (979,182) |
| Livestock Exchange | | | | | | | | | | |
| Livestock Exchange Development | | 100,000 | | 100,000 | | | | | | (100,000) |
| | | 100,000 | | 100,000 | | | | | | (100,000) |
| Other Infrastructure | | | | | | | | | | |
| Flood - Other Infrastructure - Reinstate | 250,000 | | | 250,000 | | | | (197,188) | (1,900) | (50,912) |
| Flood - Hamilton Wetlands/Lake Ham/Grangeburn | 215,000 | | | 215,000 | | | | | (23,500) | (191,500) |
| Flood - Ins - Other Assets | 60,000 | | | 60,000 | | | | | | (60,000) |
| Art Collection - Purchases | | | 15,000 | | | 15,000 | | | | (15,000) |
| Lake Hamilton Development | | | 125,000 | 125,000 | | | | | | (125,000) |
| Construction of Iron Gates over the existing spillway | | | 10,000 | | | 10,000 | | | | (10,000) |
| | 525,000 | | 150,000 | 650,000 | | 25,000 | | (197,188) | (25,400) | (452,412) |
| Total Infrastructure | 15,281,265 | 3,560,000 | 7,836,336 | 25,834,601 | 50,000 | 793,000 | | (16,754,788) | (860,621) | (9,062,192) |
| Total Capital Works | 15,681,765 | 5,900,000 | 11,364,280 | 31,313,045 | 90,000 | 1,543,000 | | (17,046,988) | (1,500,593) | (14,398,464) |
| | | 32,946,045 | | | | 32,946,045 | | | (32,946,045) | |

NOTE: Some works annotated as "Flood" are multi-year projects and cash expenses and revenues may not be aligned in the same financial year.

6. 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 | Forecast Actual 2017/18 | Budget 2018/19 | Strategic Resource Plan Projections | | | Trend +/- |
|----------------------------|--|-------|-------------------------|----------------|-------------------------------------|------------|------------|-----------|
| | | | | | 2019/20 | 2020/21 | 2021/22 | |
| Operating position | | | | | | | | |
| Adjusted underlying result | Adjusted underlying surplus (deficit) / Adjusted underlying revenue | 1 | 14.6% | 24.5% | (4.7%) | (8.1%) | (4.6%) | + |
| Liquidity | | | | | | | | |
| Working Capital | Current assets / current liabilities | 2 | 209.0% | 127.6% | 119.3% | 66.1% | 6.8% | - |
| Unrestricted cash | Unrestricted cash / current liabilities | | 64.9% | 1.0% | (55.1%) | (107.5%) | (167.2%) | - |
| Obligations | | | | | | | | |
| Loans and borrowings | Interest bearing loans and borrowings / rate revenue | 3 | 11.8% | 9.5% | 19.9% | 16.6% | 13.6% | - |
| Loans and borrowings | Interest and principal repayments on interest bearing loans and borrowings / rate revenue | | 2.9% | 2.8% | 2.5% | 3.9% | 3.5% | - |
| Indebtedness | Non-current liabilities / own source revenue | | 11.7% | 10.3% | 26.9% | 24.4% | 21.8% | - |
| Asset renewal | Asset renewal expenses / Asset depreciation | 4 | 243.5% | 287.0% | 142.2% | 102.7% | 119.1% | - |
| Stability | | | | | | | | |
| Rates concentration | Rate revenue / adjusted underlying revenue | 5 | 50.0% | 48.3% | 50.8% | 50.7% | 50.6% | o |
| Rates effort | Rate revenue / CIV of rateable properties in the municipality | | 0.5% | 0.5% | 0.6% | 0.6% | 0.6% | + |
| Efficiency | | | | | | | | |
| Expenditure level | Total expenses/ no. of property assessments | | \$3,807.80 | \$3,894.40 | \$3,128.60 | \$1,723.80 | \$570.10 | - |
| Revenue level | Residential rate revenue / No. of residential property assessments | | \$964.51 | \$951.70 | \$970.73 | \$990.15 | \$1,009.95 | + |
| Workforce turnover | No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year | | 10% | 10% | 10% | 10% | 10% | o |

Key to Forecast Trend:

+ Forecasts improvement in Council's financial performance/financial position indicator

o Forecasts that Council's financial performance/financial position indicator will be steady

- Forecasts deterioration in Council's financial performance/financial position indicator

Notes to indicators –

1 Adjusted underlying result – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on Council's cash reserves or increased debt to maintain services.

2 Working Capital – The proportion of current liabilities represented by current assets. Working capital is forecast to decrease in 2018/19 after a high level in 2017/18. This decrease is to fund the capital program and flood restoration works. The trend in later years is declining to a lower than acceptable level.

3 Debt compared to rates - Trend indicates Council's balancing debt against its annual rate revenue as a planned lever to allow additional capital investment whilst maintaining a conservative percentage of borrowing. Currently, Council debt is only 11.8% of rate revenue which is well below the prudential level of 80%.

4 Asset renewal - This percentage indicates the extent of Council's renewal of assets against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

Generally, Council has been achieving around 80% of its renewal target, however some of the renewal gap is absorbed into asset upgrade and expansion works. Council is also reviewing its asset portfolio to reveal any assets that are not required to be renewed which are inflating the required renewal target and incurring depreciation charges.

The highly inflated percentages in 2017/18 and 2018/19 relate to flood reinstatement works which have been classified as renewal, however these works will only return the asset to its previous state. **This indicator is not accurate for these years.**

5 Rates concentration - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council is continuing to be reliant on rate revenue compared to all other revenue sources.