



Proposed
**Strategic
Resource Plan**
2019/20 – 2023/24



Strategic resource plan

1. Plan development

The Act requires a Strategic Resource Plan (SRP) to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP.

Council has prepared a SRP for the four years 2019/20 to 2022/23 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

The key objective, which underlines the development of the SRP, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the SRP, are:

- Maintain a strong underlying operating surplus in order to fund Council's operating services and growing capital infrastructure requirements.
- Maintain existing service levels
- The asset renewal program is to be fully funded from the operating result
- New capital investment is to be funded from the operating result, cash reserves, government grants or borrowings
- Achieve a balanced budget on a cash basis.

In preparing the SRP, Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

The SRP is updated annually through a rigorous process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.

2. Financial resources

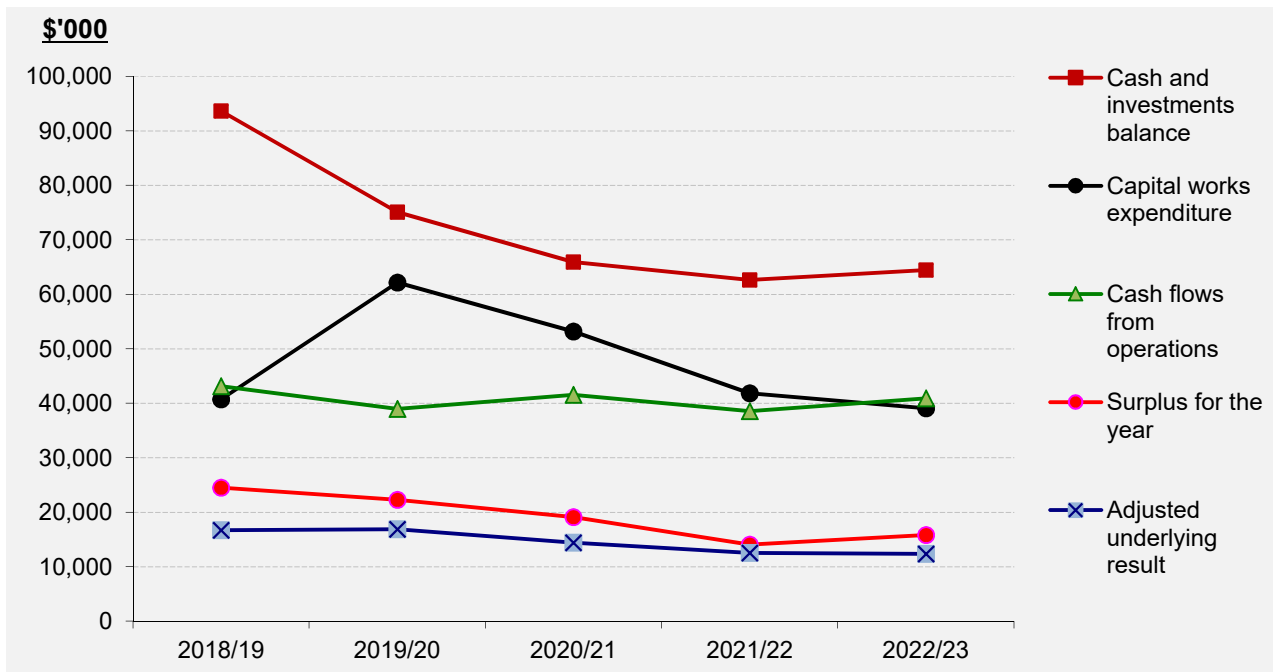
The following table summarises the key financial results for the next four years as set out in the SRP for years 2019/20 to 2022/23.

Indicator	Forecast		Strategic Resource Plan			Trend
	Actual 2018/19	Budget 2019/20	Projections			
			2020/21	2021/22	2022/23	+o/-
Surplus for the year	24,505	22,283	19,076	14,027	15,794	-
Adjusted underlying result	16,699	16,877	14,376	12,527	12,369	o
Cash and investments balance	93,652	75,056	65,888	62,625	64,428	o
Cash flows from operations	43,114	38,968	41,515	38,545	40,894	o
Capital works expenditure	40,709	62,184	53,183	41,808	39,090	-

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

The following graph shows the general financial indicators over the four year period.



The key outcomes of the Plan are as follows:

- **Financial sustainability**

Cash and investments are forecast to decrease by \$18.6 million during 2019/20 as Council utilises reserves for specific capital infrastructure investment. From 2020/21 cash will remain steady with a marginal increase by 2022/23 which indicates a balanced budget on a cash basis in each year.

- **Rating levels**

Modest rate and charge increases are forecast over the four years. Council will achieve the mandated rate increase to be capped at 2.5% in 2019/20 and estimated to be 2.5% from 2020/21.

- **Service delivery strategy**

Service levels have been maintained throughout the four year period. Adjusted operating surpluses which exclude capital items like capital grants and contributions are forecast to remain steady around \$12.5 million. The adjusted underlying result is a measure of financial sustainability and is an important measure as once-off capital items can often mask the operating result

- **Borrowing strategy**

Council repaid all borrowings totalling \$2.13 million in 2017/18 and as a result is debt free. Future new borrowing needs will be based on a sound business case, demonstrated community benefits and intergenerational repayments.

- **Infrastructure strategy** - Capital expenditure over the four year period will total \$196.3 million at an average of \$49.0 million. The substantial investment in infrastructure over the next four years continues Council's strategy to upgrade and renew pavilions, sporting grounds and playgrounds as well as renew basketball and netball facilities, library and early childhood facilities.

Comprehensive Income Statement For the four years ending 30 June 2023

	2020	2021	2022	2023
	\$'000	\$'000	\$'000	\$'000
Income				
Rates and charges	97,862	100,706	104,011	107,597
Statutory fees and fines	7,138	7,517	7,704	7,896
User fees	8,123	8,326	7,883	8,080
Grants - Operating	10,564	10,828	11,099	11,376
Grants - Capital	2,147	2,447	797	2,697
Contributions - monetary - Operating	113	96	98	100
Contributions - monetary - Capital	2,000	2,550	1,000	1,025
Contributions - non-monetary	-	-	-	-
Rental income	4,170	4,274	4,381	4,491
Interest income	2,430	2,163	1,943	1,873
Other income	1,935	1,360	1,387	1,290
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	1,556	-	-	-
Total income	138,038	140,267	140,303	146,425
Expenses				
Employee costs	46,891	47,996	49,643	51,341
Materials and services	49,207	51,185	52,661	54,594
Bad and doubtful debts	226	232	238	244
Depreciation and amortisation	18,990	21,326	23,271	23,977
Other expenses	441	452	463	475
Total expenses	115,755	121,191	126,276	130,631
Surplus/(deficit) for the year	22,283	19,076	14,027	15,794
Other comprehensive income				
Items that will not be reclassified to surplus or deficit in future periods				
Net asset revaluation increment/(decrement)	-	-	-	-
Share of other comprehensive income of associates and joint operations	-	-	-	-
Items that may be reclassified to surplus or deficit in future periods				
	-	-	-	-
Total comprehensive result	22,283	19,076	14,027	15,794

The above comprehensive income statement should be read in conjunction with the accompanying other information.

Balance Sheet

For the four years ending 30 June 2023

	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000
Assets				
Current assets				
Cash and cash equivalents	3,530	1,362	1,099	1,902
Trade and other receivables	8,604	8,804	8,779	8,965
Other financial assets	68,526	61,526	58,526	62,526
Inventories	155	159	163	167
Non-current assets classified as held for sale	2,500	-	-	-
Other assets	1,698	1,667	1,690	1,724
Total current assets	85,013	73,518	70,257	75,284
Non-current assets				
Trade and other receivables	232	239	247	255
Other financial assets	3,230	3,230	3,230	230
Property, infrastructure, plant and equipment	3,559,672	3,591,332	3,609,706	3,624,221
Intangible assets	5,619	5,816	5,979	6,578
Total non-current assets	3,568,753	3,600,617	3,619,162	3,631,284
Total assets	3,653,766	3,674,135	3,689,419	3,706,568
Liabilities				
Current liabilities				
Trade and other payables	9,950	10,314	10,618	10,996
Trust funds and deposits	4,668	4,794	4,923	5,055
Provisions	9,076	9,636	10,210	10,798
Total current liabilities	23,694	24,744	25,751	26,849
Non-current liabilities				
Provisions	1,259	1,502	1,752	2,009
Total non-current liabilities	1,259	1,502	1,752	2,009
Total liabilities	24,953	26,246	27,503	28,858
Net assets	3,628,813	3,647,889	3,661,916	3,677,710
Equity				
Accumulated surplus	932,456	957,891	973,419	989,814
Reserves	2,696,357	2,689,998	2,688,497	2,687,896
Total Equity	3,628,813	3,647,889	3,661,916	3,677,710

The above balance sheet should be read in conjunction with the accompanying other information.

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

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2020				
Balance at beginning of the financial year	3,606,530	895,881	2,656,745	53,904
Surplus/(deficit) for the year	22,283	22,283	-	-
Transfers to other reserves	-	(8,375)	-	8,375
Transfers from other reserves	-	22,667	-	(22,667)
Balance at end of the financial year	3,628,813	932,456	2,656,745	39,612
2021				
Balance at beginning of the financial year	3,628,813	932,456	2,656,745	39,612
Surplus/(deficit) for the year	19,076	19,076	-	-
Transfers to other reserves	-	(5,848)	-	5,848
Transfers from other reserves	-	12,207	-	(12,207)
Balance at end of the financial year	3,647,889	957,891	2,656,745	33,253
2022				
Balance at beginning of the financial year	3,647,889	957,891	2,656,745	33,253
Surplus/(deficit) for the year	14,027	14,027	-	-
Transfers to other reserves	-	(2,219)	-	2,219
Transfers from other reserves	-	3,720	-	(3,720)
Balance at end of the financial year	3,661,916	973,419	2,656,745	31,752
2023				
Balance at beginning of the financial year	3,661,916	973,419	2,656,745	31,752
Surplus/(deficit) for the year	15,794	15,794	-	-
Transfers to other reserves	-	(2,206)	-	2,206
Transfers from other reserves	-	2,807	-	(2,807)
Balance at end of the financial year	3,677,710	989,814	2,656,745	31,151

The above statement of changes in equity should be read with the accompanying other information.

Statement of Cash Flows

For the four years ending 30 June 2023

	2020	2021	2022	2023
	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Rates and charges	97,792	100,621	103,912	107,490
Statutory fees and fines	7,261	7,552	7,754	7,948
User fees	8,472	8,599	8,322	8,364
Grants - operating	10,672	10,933	11,207	11,487
Grants - capital	2,337	2,663	889	2,918
Contributions - monetary	2,134	2,672	1,109	1,136
Rental Receipts	4,590	4,706	4,824	4,946
Interest received	2,444	2,177	1,954	1,877
Trust funds and deposits taken	1,470	1,544	1,621	1,702
Other receipts	2,058	1,552	1,517	1,420
Net GST refund	8,875	8,054	7,346	7,084
Employee costs	(46,147)	(47,297)	(48,911)	(50,590)
Materials and services	(61,162)	(60,350)	(61,002)	(62,800)
Trust funds and deposits repaid	(1,347)	(1,418)	(1,492)	(1,570)
Other payments	(481)	(493)	(505)	(518)
Net cash provided by/(used in) operating activities	38,968	41,515	38,545	40,894
Cash flows from investing activities				
Payments for property, infrastructure, plant and equipment	(62,184)	(53,183)	(41,808)	(39,091)
Proceeds from sale of property, infrastructure, plant and equipment	4,620	2,500	-	-
Payments for investments	-	-	-	(1,000)
Proceeds from sale of investments	18,000	7,000	3,000	-
Net cash provided by/(used in) investing activities	(39,564)	(43,683)	(38,808)	(40,091)
Cash flows from financing activities				
Finance costs	-	-	-	-
Proceeds from borrowings	-	-	-	-
Repayment of borrowings	-	-	-	-
Net cash provided by/(used in) financing activities	-	-	-	-
Net increase (decrease) in cash and cash equivalents	(596)	(2,168)	(263)	803
Cash and cash equivalents at the beginning of the financial year	4,126	3,530	1,362	1,099
Cash and cash equivalents at the end of the financial year	3,530	1,362	1,099	1,902

The above statement of cash flows should be read with the accompanying other information

Statement of Capital Works For the four years ending 30 June 2023

	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000
Property				
Land	9,000	0	0	0
Total land	9,000	0	0	0
Buildings	18,951	18,757	19,302	23,529
Building improvements	2,267	1,491	1,490	1,490
Total buildings	21,218	20,248	20,792	25,019
Total property	30,218	20,248	20,792	25,019
Plant and equipment				
Fixtures, fittings and furniture	75	75	75	75
Arts and Culture	214	130	130	130
Computers and telecommunications	1,391	1,200	1,200	1,200
Library books	440	450	460	470
Total plant and equipment	2,120	1,855	1,865	1,875
Infrastructure				
Roads	4,521	3,708	3,807	3,898
Footpaths and cycle ways	3,165	2,693	2,469	2,870
Drainage	2,237	1,774	2,499	591
Parks, open space and streetscapes	15,108	18,987	7,056	1,545
Foreshore and Conservation	2,840	2,548	1,915	1,850
Off street car parks	906	656	670	685
Other infrastructure	1,069	715	736	757
Total infrastructure	29,846	31,080	19,151	12,196
Total capital works expenditure	62,184	53,183	41,808	39,090
Represented by:				
New asset expenditure	18,409	5,145	4,279	4,297
Asset renewal expenditure	27,927	27,892	25,082	20,928
Asset expansion expenditure	14,243	11,950	11,801	10,971
Asset upgrade expenditure	1,605	8,196	645	2,894
Total capital works expenditure	62,184	53,183	41,808	39,090
Funding sources represented by:				
Grants	2,147	2,947	797	2,697
Council cash	60,037	50,236	41,011	36,393
Total capital works expenditure	62,184	53,183	41,808	39,090

The above statement of capital works should be read with the accompanying other information.

Statement of Human Resources For the four years ending 30 June 2023

	2020	2021	2022	2023
	\$'000	\$'000	\$'000	\$'000
Staff expenditure				
Employee costs - Operating	46,891	47,996	49,643	51,341
Employee costs - Capital	1,362	1,393	1,424	1,456
Total staff expenditure	48,253	49,389	51,067	52,797
Staff numbers				
Employees	439.8	436.9	436.9	436.9
Total Staff numbers	439.8	436.9	436.9	436.9

The above statement of human resources should be read with the accompanying other information.

Other Information

For the four years ending 30 June 2023

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources		
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Council Cash \$'000
2020								
Property								
Land	9,000	9,000	0	0	0	9,000	0	9,000
Total land	9,000	9,000	0	0	0	9,000	0	9,000
Buildings	18,951	1,550	10,047	6,512	841	18,951	1,500	17,451
Building improvements	2,267	210	1,807	244	6	2,267	0	2,267
Total buildings	21,218	1,760	11,854	6,756	847	21,218	1,500	19,718
Total property	30,218	10,760	11,854	6,756	847	30,218	1,500	28,718
Plant and equipment								
Fixtures, fittings and furniture	75	0	75	0	0	75	0	75
Arts and Culture	214	214	0	0	0	214	0	214
Computers and telecommunications	1,391	359	69	963	0	1,391	0	1,391
Library books	440	0	440	0	0	440	0	440
Total plant and equipment	2,120	573	584	963	0	2,120	0	2,120

Other Information

For the four years ending 30 June 2023

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources		
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Council Cash \$'000
Infrastructure								
Roads	4,521	0	4,368	153	0	4,521	297	4,224
Footpaths and cycle ways	3,165	691	1,895	466	113	3,165	350	2,815
Drainage	2,237	577	917	493	250	2,237	0	2,237
Parks, open space and streetscapes	15,108	4,734	5,610	4,369	395	15,108	0	15,108
Foreshore and Conservation	2,840	337	1,838	664	0	2,840	0	2,840
Off street car parks	906	205	455	246	0	906	0	906
Other infrastructure	1,069	531	406	132	0	1,069	0	1,069
Total infrastructure	29,846	7,076	15,489	6,524	758	29,846	647	29,199
Total capital works expenditure	62,184	18,409	27,927	14,243	1,605	62,184	2,147	60,037

Other Information

For the four years ending 30 June 2023

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources		
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Council Cash \$'000
2021								
Property								
Buildings	18,757	2,236	8,535	6,442	1,545	18,757	2,550	16,207
Building improvements	1,490	0	1,490	0	0	1,490	0	1,490
Total buildings	20,247	2,236	10,025	6,442	1,545	20,247	2,550	17,697
Total property	20,247	2,236	10,025	6,442	1,545	20,247	2,550	17,697
Plant and equipment								
Fixtures, fittings and furniture	75	0	75	0	0	75	0	75
Arts and Culture	130	130	0	0	0	130	0	130
Computers and telecommunications	1,200	120	960	120	0	1,200	0	1,200
Library books	450	0	450	0	0	450	0	450
Total plant and equipment	1,855	250	1,485	120	0	1,855	0	1,855

Other Information

For the four years ending 30 June 2023

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources		
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Council Cash \$'000
Infrastructure								
Roads	3,708	0	3,603	105	0	3,708	297	3,411
Footpaths and cycle ways	2,693	227	2,344	122	0	2,693	0	2,693
Drainage	1,774	0	1,261	513	0	1,774	0	1,774
Parks, open space and streetscapes	18,987	1,916	6,437	3,982	6,652	18,987	100	18,887
Foreshore and Conservation	2,548	335	1,778	435	0	2,548	0	2,548
Off street car parks	656	0	656	0	0	656	0	656
Other infrastructure	715	181	303	231	0	715	0	715
Total infrastructure	31,081	2,659	16,382	5,388	6,652	31,081	397	30,684
Total capital works expenditure	53,183	5,145	27,892	11,950	8,196	53,183	2,947	50,236

Other Information

For the four years ending 30 June 2023

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources		
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Council Cash \$'000
2022								
Property								
Buildings	19,301	2,842	9,686	6,136	637	19,301	500	18,801
Building improvements	1,490	0	1,490	0	0	1,490	0	1,490
Total buildings	20,791	2,842	11,176	6,136	637	20,791	500	20,291
Total property	20,791	2,842	11,176	6,136	637	20,791	500	20,291
Plant and equipment								
Fixtures, fittings and furniture	75	0	75	0	0	75	0	75
Arts and Culture	130	130	0	0	0	130	0	130
Computers and telecommunications	1,200	60	1,140	0	0	1,200	0	1,200
Library books	460	0	460	0	0	460	0	460
Total plant and equipment	1,865	190	1,675	0	0	1,865	0	1,865

Other Information

For the four years ending 30 June 2023

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources		
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Council Cash \$'000
Infrastructure								
Roads	3,807	0	3,701	106	0	3,807	297	3,510
Footpaths and cycle ways	2,469	238	2,168	63	0	2,469	0	2,469
Drainage	2,499	0	1,706	793	0	2,499	0	2,499
Parks, open space and streetscapes	7,056	529	2,326	4,193	8	7,056	0	7,056
Foreshore and Conservation	1,915	294	1,351	270	0	1,915	0	1,915
Off street car parks	670	0	670	0	0	670	0	670
Other infrastructure	736	187	309	239	0	736	0	736
Total infrastructure	19,152	1,247	12,231	5,665	8	19,152	297	18,855
Total capital works expenditure	41,808	4,279	25,082	11,801	645	41,808	797	41,011

Other Information

For the four years ending 30 June 2023

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources		
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Council Cash \$'000
2023								
Property								
Buildings	23,529	3,060	7,961	9,623	2,886	23,529	2,400	21,129
Building improvements	1,490	0	1,490	0	0	1,490	0	1,490
Total buildings	25,019	3,060	9,451	9,623	2,886	25,019	2,400	22,619
Total property	25,019	3,060	9,451	9,623	2,886	25,019	2,400	22,619
Plant and equipment								
Fixtures, fittings and furniture	75	0	75	0	0	75	0	75
Arts and Culture	130	130	0	0	0	130	0	130
Computers and telecommunications	1,200	60	1,080	60	0	1,200	0	1,200
Library books	470	0	470	0	0	470	0	470
Total plant and equipment	1,875	190	1,625	60	0	1,875	0	1,875

Other Information

For the four years ending 30 June 2023

1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources		
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Council Cash \$'000
Infrastructure								
Roads	3,898	0	3,791	107	0	3,898	297	3,601
Footpaths and cycle ways	2,870	248	2,493	129	0	2,870	0	2,870
Drainage	591	0	570	21	0	591	0	591
Parks, open space and streetscapes	1,545	342	682	513	9	1,545	0	1,545
Foreshore and Conservation	1,850	263	1,315	272	0	1,850	0	1,850
Off street car parks	685	0	685	0	0	685	0	685
Other infrastructure	757	194	316	248	0	757	0	757
Total infrastructure	12,196	1,047	9,852	1,288	9	12,196	297	11,899
Total capital works expenditure	39,090	4,297	20,928	10,971	2,894	39,090	2,697	36,393

Other Information
For the four years ending 30 June 2023

2. Summary of planned human resources expenditure

	2020	2021	2022	2023
	\$'000	\$'000	\$'000	\$'000
Executive				
Permanent - Full time	1,892	1,937	2,004	2,073
Permanent - Part time	148	151	156	161
Total Executive	2,040	2,088	2,160	2,234
Corporate Services				
Permanent - Full time	6,134	6,329	6,546	6,770
Permanent - Part time	762	780	807	835
Total Corporate Services	6,896	7,109	7,353	7,605
Environment, Recreation and Infrastructure				
Permanent - Full time	5,599	5,781	5,980	6,185
Permanent - Part time	170	174	180	186
Total Environment, Recreation and Infrastructure	5,769	5,955	6,160	6,371
City Planning and Amenity				
Permanent - Full time	10,376	10,721	11,089	11,468
Permanent - Part time	1,205	1,233	1,275	1,319
Total City Planning and Amenity	11,581	11,954	12,364	12,787
Community and Customer Experience				
Permanent - Full time	9,335	9,355	9,676	10,007
Permanent - Part time	7,906	8,092	8,370	8,656
Total Community and Customer Experience	17,241	17,447	18,046	18,663
Casuals and other expenditure	3,364	3,443	3,560	3,681
Capitalised labour costs	1,362	1,393	1,424	1,456
Total staff expenditure	48,253	49,389	51,067	52,797
	FTE	FTE	FTE	FTE
Executive				
Permanent - Full time	13.0	13.0	13.0	13.0
Permanent - Part time	1.3	1.3	1.3	1.3
Total Executive	14.3	14.3	14.3	14.3
Corporate Services				
Permanent - Full time	52.0	52.0	52.0	52.0
Permanent - Part time	7.6	7.6	7.6	7.6
Total Corporate Services	59.6	59.6	59.6	59.6
Environment, Recreation and Infrastructure				
Permanent - Full time	49.0	49.0	49.0	49.0
Permanent - Part time	1.8	1.8	1.8	1.8
Total Environment, Recreation and Infrastructure	50.8	50.8	50.8	50.8
City Planning and Amenity				
Permanent - Full time	100.0	100.0	100.0	100.0
Permanent - Part time	14.7	14.7	14.7	14.7
Total City Planning and Amenity	114.7	114.7	114.7	114.7
Community and Customer Experience				
Permanent - Full time	87.0	84.0	84.0	84.0
Permanent - Part time	93.7	93.7	93.7	93.7
Total Community and Customer Experience	180.7	177.7	177.7	177.7
Casuals and other expenditure	7.8	7.8	7.8	7.8
Capitalised labour costs	12.0	12.0	12.0	12.0
Total staff numbers	439.9	436.9	436.9	436.9