



Strategic Resource Plan

2018 – 2022



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 2018/19 to 2021/22 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

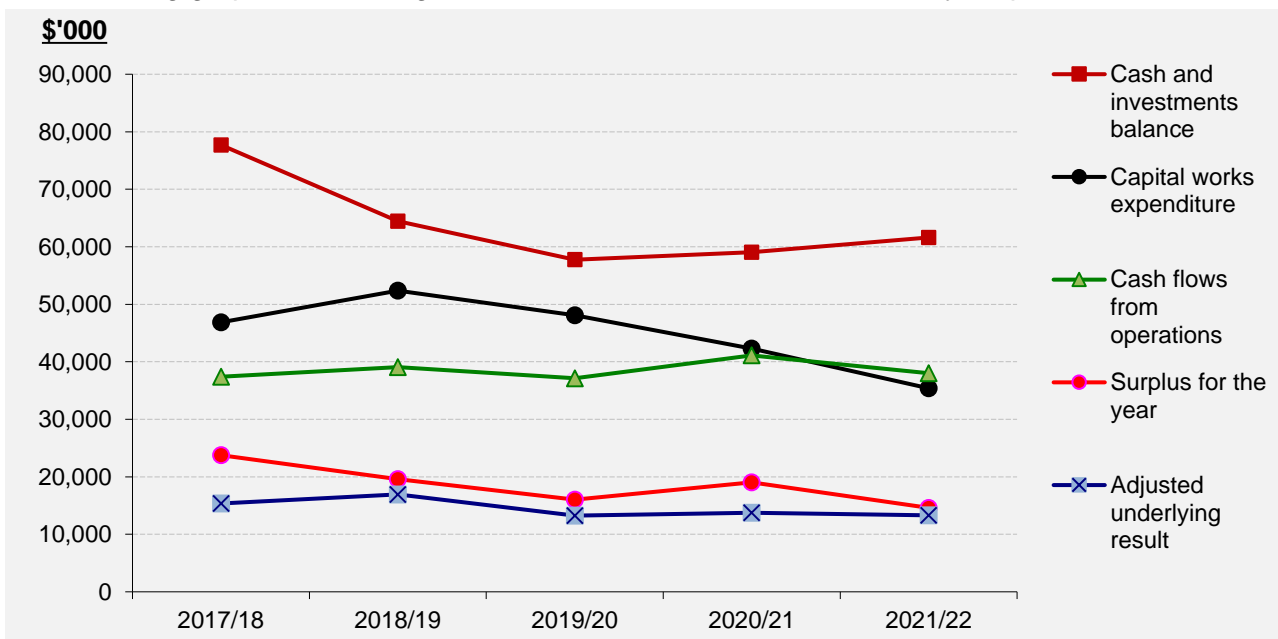
The following table summarises the key financial results for the next four years as set out in the SRP for years 2018/19 to 2021/22.

Indicator	Forecast	Budget 2018/19	Strategic Resource Plan			Trend +/-
	Actual 2017/18		Projections		2021/22	
			2019/20	2020/21	2021/22	
Surplus for the year	23,755	19,602	16,006	19,050	14,607	-
Adjusted underlying result	15,389	16,937	13,253	13,774	13,308	o
Cash and investments balance	77,703	64,425	57,749	59,037	61,628	o
Cash flows from operations	37,412	39,092	37,137	41,106	37,989	o
Capital works expenditure	46,839	52,370	48,111	42,315	35,396	-

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 \$13.3 million during 2018/19 as Council utilises reserves for specific capital infrastructure investment. From 2019/20 cash will remain steady with a marginal increase by 2021/22 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 2.25% in 2018/19 and 2.5% from 2019/20.

- **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 \$13 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 \$178.2 million at an average of \$44.5 million. The substantial investment in infrastructure over the next four years continues Councils 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 2022

	2019	2020	2021	2022
	\$'000	\$'000	\$'000	\$'000
Income				
Rates and charges	95,416	97,554	100,815	104,184
Statutory fees and fines	6,357	6,493	6,632	6,774
User fees	7,658	7,849	8,045	8,246
Grants - Operating	10,878	11,150	11,429	11,715
Grants - Capital	665	1,253	253	253
Contributions - monetary - Operating	105	88	90	92
Contributions - monetary - Capital	2,000	1,500	5,023	1,046
Contributions - non-monetary	-	-	-	-
Rental income	4,120	4,083	4,185	4,290
Interest income	2,155	2,017	1,846	1,891
Other income	1,393	1,200	1,231	1,262
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	-	-	-
Total income	130,747	133,187	139,549	139,753
Expenses				
Employee costs	44,899	46,377	47,907	49,487
Materials and services	47,217	50,277	50,711	52,594
Bad and doubtful debts	173	177	181	186
Depreciation and amortisation	18,416	19,899	21,238	22,405
Borrowing costs	-	-	-	-
Other expenses	440	451	462	474
Total expenses	111,145	117,181	120,499	125,146
Surplus/(deficit) for the year	19,602	16,006	19,050	14,607
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	19,602	16,006	19,050	14,607

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

Balance Sheet

For the four years ending 30 June 2022

	2019	2020	2021	2022
	\$'000	\$'000	\$'000	\$'000
Assets				
Current assets				
Cash and cash equivalents	3,399	4,723	5,011	5,602
Trade and other receivables	9,694	9,828	10,049	10,305
Other financial assets	61,026	53,026	54,026	56,026
Inventories	112	115	118	121
Other assets	1,570	1,607	1,610	1,665
Total current assets	75,801	69,299	70,814	73,719
Non-current assets				
Trade and other receivables	224	229	237	245
Other financial assets	230	230	230	230
Property, infrastructure, plant and equipment	3,430,301	3,453,604	3,471,637	3,483,736
Intangible assets	5,604	6,215	6,762	7,656
Total non-current assets	3,436,359	3,460,278	3,478,866	3,491,867
Total assets	3,512,160	3,529,577	3,549,680	3,565,586
Liabilities				
Current liabilities				
Trade and other payables	9,557	10,078	10,218	10,583
Trust funds and deposits	4,717	4,843	4,972	5,104
Provisions	9,306	9,836	10,379	10,933
Total current liabilities	23,580	24,757	25,569	26,620
Non-current liabilities				
Provisions	1,424	1,658	1,899	2,147
Total non-current liabilities	1,424	1,658	1,899	2,147
Total liabilities	25,004	26,415	27,468	28,767
Net assets	3,487,156	3,503,162	3,522,212	3,536,819
Equity				
Accumulated surplus	910,310	931,774	952,887	967,865
Reserves	2,576,846	2,571,388	2,569,325	2,568,954
Total Equity	3,487,156	3,503,162	3,522,212	3,536,819

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 2022

	Total	Accumulated	Revaluation	Other
	\$'000	Surplus	Reserve	Reserves
	\$'000	\$'000	\$'000	\$'000
2019				
Balance at beginning of the financial year	3,467,554	880,722	2,544,521	42,311
Surplus/(deficit) for the year	19,602	19,602	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(3,522)	-	3,522
Transfers from other reserves	-	13,508	-	(13,508)
Balance at end of the financial year	3,487,156	910,310	2,544,521	32,325
	Total	Accumulated	Revaluation	Other
	\$'000	Surplus	Reserve	Reserves
	\$'000	\$'000	\$'000	\$'000
2020				
Balance at beginning of the financial year	3,487,156	910,310	2,544,521	32,325
Surplus/(deficit) for the year	16,006	16,006	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(6,343)	-	6,343
Transfers from other reserves	-	11,801	-	(11,801)
Balance at end of the financial year	3,503,162	931,774	2,544,521	26,867
	Total	Accumulated	Revaluation	Other
	\$'000	Surplus	Reserve	Reserves
	\$'000	\$'000	\$'000	\$'000
2021				
Balance at beginning of the financial year	3,503,162	931,774	2,544,521	26,867
Surplus/(deficit) for the year	19,050	19,050	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(4,550)	-	4,550
Transfers from other reserves	-	6,613	-	(6,613)
Balance at end of the financial year	3,522,212	952,887	2,544,521	24,804
	Total	Accumulated	Revaluation	Other
	\$'000	Surplus	Reserve	Reserves
	\$'000	\$'000	\$'000	\$'000
2022				
Balance at beginning of the financial year	3,522,212	952,887	2,544,521	24,804
Surplus/(deficit) for the year	14,607	14,607	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfers to other reserves	-	(2,014)	-	2,014
Transfers from other reserves	-	2,385	-	(2,385)
Balance at end of the financial year	3,536,819	967,865	2,544,521	24,433

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 2022

	2019	2020	2021	2022
	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Rates and charges	95,226	97,489	100,717	104,083
Statutory fees and fines	6,453	6,546	6,679	6,823
User fees	8,069	8,153	8,309	8,497
Grants - operating	10,972	11,259	11,540	11,829
Grants - capital	740	1,359	288	276
Contributions - monetary	2,126	1,604	5,164	1,149
Rental Receipts	4,538	4,490	4,608	4,725
Interest received	2,160	2,030	1,855	1,889
Trust funds and deposits taken	1,470	1,544	1,621	1,702
Other receipts	1,558	1,339	1,342	1,372
Net GST refund	7,847	7,682	7,259	6,799
Employee costs	(44,214)	(45,700)	(47,212)	(48,779)
Materials and services	(56,026)	(58,748)	(59,068)	(60,289)
Trust funds and deposits repaid	(1,347)	(1,418)	(1,492)	(1,570)
Other payments	(480)	(492)	(504)	(517)
Net cash provided by/(used in) operating activities	39,092	37,137	41,106	37,989
Cash flows from investing activities				
Payments for property, infrastructure, plant and equipment	(52,370)	(48,113)	(42,318)	(35,398)
Proceeds from sale of property, infrastructure, plant and equipment	-	4,300	2,500	-
Proceeds from sale of investments	13,000	8,000	-	-
Net cash provided by/(used in) investing activities	(39,370)	(35,813)	(40,818)	(37,398)
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	(278)	1,324	288	591
Cash and cash equivalents at the beginning of the financial year	3,677	3,399	4,723	5,011
Cash and cash equivalents at the end of the financial year	3,399	4,723	5,011	5,602

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 2022

	2019	2020	2021	2022
	\$'000	\$'000	\$'000	\$'000
Property				
Land	9,000	0	0	0
Land improvements	0	0	0	0
Total land	9,000	0	0	0
Buildings	13,326	23,749	15,206	18,740
Heritage Buildings	0	0	0	0
Building improvements	3,240	1,957	1,969	2,006
Total buildings	16,566	25,706	17,175	20,746
Total property	25,566	25,706	17,175	20,746
Plant and equipment				
Fixtures, fittings and furniture	97	77	78	79
Arts and Culture	130	130	130	130
Computers and telecommunications	1,278	1,255	1,257	1,258
Library books	400	450	460	470
Total plant and equipment	1,905	1,912	1,925	1,937
Infrastructure				
Roads	4,910	3,603	3,682	3,710
Footpaths and cycle ways	3,589	2,214	2,613	2,403
Drainage	2,879	2,358	2,741	2,527
Parks, open space and streetscapes	7,586	9,035	12,036	2,407
Foreshore and Conservation	2,353	1,946	775	255
Off street car parks	2,818	644	657	678
Other infrastructure	764	694	712	733
Total infrastructure	24,899	20,493	23,215	12,713
Total capital works expenditure	52,370	48,111	42,315	35,396
Represented by:				
New asset expenditure	13,668	3,547	3,248	3,720
Asset renewal expenditure	25,460	24,335	19,604	19,401
Asset expansion expenditure	11,390	12,043	7,768	9,669
Asset upgrade expenditure	1,852	8,186	11,695	2,606
Total capital works expenditure	52,370	48,111	42,315	35,396

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 2022

	2019	2020	2021	2022
	\$'000	\$'000	\$'000	\$'000
Staff expenditure				
Employee costs - Operating	44,899	46,377	47,907	49,487
Employee costs - Capital	1,407	1,439	1,471	1,504
Total staff expenditure	46,306	47,816	49,378	50,991
Staff numbers				
Employees	432.5	432.5	429.5	428.8
Total Staff numbers	432.5	432.5	429.5	428.8

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

Other Information

For the four years ending 30 June 2022

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	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
2019										
Property										
Land	9,000	9,000	0	0	0	9,000	0	0	9,000	0
Total land	9,000	9,000	0	0	0	9,000	0	0	9,000	0
Buildings	13,326	180	7,733	4,295	1,119	13,326	60	500	12,766	0
Building improvements	3,240	1,425	1,354	461	0	3,240	0	0	3,240	0
Total buildings	16,566	1,605	9,087	4,756	1,119	16,566	60	500	16,006	0
Total property	25,566	10,605	9,087	4,756	1,119	25,566	60	500	25,006	0
Plant and equipment										
Fixtures, fittings and furniture	97	0	97	0	0	97	0	0	97	0
Arts and Culture	130	0	0	0	130	130	0	0	130	0
Computers and telecommunications	1,278	575	61	642	0	1,278	0	0	1,278	0
Library books	400	0	400	0	0	400	0	0	400	0
Total plant and equipment	1,905	575	558	642	130	1,905	0	0	1,905	0
Infrastructure										
Roads	4,910	0	4,629	281	0	4,909	0	0	4,909	0
Footpaths and cycle ways	3,589	481	2,423	627	58	3,588	0	0	3,588	0
Drainage	2,879	397	1,508	959	16	2,880	0	0	2,880	0
Parks, open space and streetscapes	7,586	711	4,345	2,011	519	7,586	20	0	7,566	0
Foreshore and Conservation	2,353	552	1,328	463	10	2,353	585	0	1,768	0
Off street car parks	2,818	103	1,283	1,432	0	2,819	0	0	2,819	0
Other infrastructure	764	245	299	220	0	764	0	0	764	0
Total infrastructure	24,899	2,489	15,815	5,992	603	24,899	605	0	24,294	0
Total capital works expenditure	52,370	13,668	25,460	11,390	1,852	52,370	665	500	51,205	0

Other Information

For the four years ending 30 June 2022

1. Summary of planned capital works expenditure

2020	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
Property										
Buildings	23,749	1,587	8,911	8,078	5,173	23,749	0	1,500	22,249	0
Building improvements	1,956	259	1,545	152	0	1,956	0	0	1,956	0
Total buildings	25,705	1,845	10,456	8,231	5,173	25,705	0	1,500	24,205	0
Total property	25,705	1,845	10,456	8,231	5,173	25,705	0	1,500	24,205	0
Plant and equipment										
Fixtures, fittings and furniture	77	0	77	0	0	77	0	0	77	0
Arts and Culture	130	0	0	0	130	130	0	0	130	0
Computers and telecommunications	1,255	0	1,255	0	0	1,255	0	0	1,255	0
Library books	450	0	450	0	0	450	0	0	450	0
Total plant and equipment	1,912	0	1,782	0	130	1,912	0	0	1,912	0
Infrastructure										
Roads	3,603	0	3,380	223	0	3,603	253	0	3,350	0
Footpaths and cycle ways	2,214	217	1,939	58	0	2,214	0	0	2,214	0
Drainage	2,358	70	1,380	908	0	2,358	0	0	2,358	0
Parks, open space and streetscapes	9,035	764	3,140	2,247	2,883	9,035	0	0	9,035	0
Foreshore and Conservation	1,946	476	1,314	156	0	1,946	0	0	1,946	0
Off street car parks	644	0	644	0	0	644	0	0	644	0
Other infrastructure	694	174	300	220	0	694	0	0	694	0
Total infrastructure	20,494	1,702	12,097	3,812	2,883	20,494	253	0	20,241	0
Total capital works expenditure	48,111	3,547	24,335	12,043	8,186	48,111	253	1,500	46,358	0

Other Information

For the four years ending 30 June 2022

1. Summary of planned capital works expenditure

2021	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
Property										
Buildings	15,205	1,647	5,121	4,092	4,345	15,205	0	4,000	11,205	0
Building improvements	1,969	260	1,555	154	0	1,969	0	0	1,969	0
Total buildings	17,174	1,907	6,676	4,247	4,345	17,174	0	4,000	13,174	0
Total property	17,174	1,907	6,676	4,247	4,345	17,174	0	4,000	13,174	0
Plant and equipment										
Fixtures, fittings and furniture	78	0	78	0	0	78	0	0	78	0
Arts and Culture	130	0	0	0	130	130	0	0	130	0
Computers and telecommunications	1,257	0	1,257	0	0	1,257	0	0	1,257	0
Library books	460	0	460	0	0	460	0	0	460	0
Total plant and equipment	1,925	0	1,795	0	130	1,925	0	0	1,925	0
Infrastructure										
Roads	3,682	0	3,458	224	0	3,682	253	0	3,429	0
Footpaths and cycle ways	2,613	227	2,264	122	0	2,613	0	0	2,613	0
Drainage	2,741	73	1,608	1,060	0	2,741	0	0	2,741	0
Parks, open space and streetscapes	12,036	650	2,278	1,888	7,220	12,036	0	0	12,036	0
Foreshore and Conservation	775	212	563	0	0	775	0	0	775	0
Off street car parks	657	0	657	0	0	657	0	0	657	0
Other infrastructure	712	179	306	227	0	712	0	0	712	0
Total infrastructure	23,216	1,341	11,133	3,522	7,220	23,216	253	0	22,963	0
Total capital works expenditure	42,315	3,248	19,604	7,768	11,695	42,315	253	4,000	38,062	0

Other Information

For the four years ending 30 June 2022

1. Summary of planned capital works expenditure

2022	Asset Expenditure Types					Funding Sources				
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Total \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
Property										
Buildings	18,740	2,651	6,356	7,266	2,468	18,740	0	0	18,740	0
Building improvements	2,006	265	1,583	158	0	2,006	0	0	2,006	0
Total buildings	20,746	2,916	7,939	7,424	2,468	20,746	0	0	20,746	0
Total property	20,746	2,916	7,939	7,424	2,468	20,746	0	0	20,746	0
Plant and equipment										
Fixtures, fittings and furniture	79	0	79	0	0	79	0	0	79	0
Arts and Culture	130	0	0	0	130	130	0	0	130	0
Computers and telecommunications	1,258	0	1,258	0	0	1,258	0	0	1,258	0
Library books	470	0	470	0	0	470	0	0	470	0
Total plant and equipment	1,937	0	1,807	0	130	1,937	0	0	1,937	0
Infrastructure										
Roads	3,710	0	3,482	228	0	3,710	253	0	3,457	0
Footpaths and cycle ways	2,403	240	2,099	64	0	2,403	0	0	2,403	0
Drainage	2,527	78	1,477	972	0	2,527	0	0	2,527	0
Parks, open space and streetscapes	2,407	302	1,349	747	9	2,407	0	0	2,407	0
Foreshore and Conservation	255	0	255	0	0	255	0	0	255	0
Off street car parks	678	0	678	0	0	678	0	0	678	0
Other infrastructure	733	184	314	234	0	733	0	0	733	0
Total infrastructure	12,713	804	9,655	2,245	9	12,713	253	0	12,460	0
Total capital works expenditure	35,396	3,720	19,401	9,669	2,606	35,396	253	0	35,143	0

Other Information For the four years ending 30 June 2022

2. Summary of planned human resources expenditure

	2019 \$'000	2020 \$'000	2021 \$'000	2022 \$'000
Executive				
Permanent - Full time	6,102	6,303	6,511	6,726
Permanent - Part time	1,267	1,309	1,352	1,397
Total Executive	7,369	7,612	7,863	8,123
Corporate Services				
Permanent - Full time	5,516	5,698	5,886	6,080
Permanent - Part time	1,118	1,155	1,193	1,232
Total Corporate Services	6,634	6,853	7,079	7,312
Environment, Recreation and Infrastructure				
Permanent - Full time	5,073	5,240	5,413	5,592
Permanent - Part time	377	389	402	415
Total Environment, Recreation and Infrastructure	5,450	5,629	5,815	6,007
City Planning and Community Services				
Permanent - Full time	12,558	12,971	13,399	13,841
Permanent - Part time	9,203	9,506	9,820	10,144
Total City Planning and Community Services	21,761	22,477	23,219	23,985
Casuals and other expenditure	3,685	3,806	3,931	4,060
Capitalised labour costs	1,407	1,439	1,471	1,504
Total staff expenditure	46,306	47,816	49,378	50,991
	FTE	FTE	FTE	FTE
Executive				
Permanent - Full time	56.0	56.0	54.0	54.0
Permanent - Part time	15.4	15.4	15.4	14.7
Total Executive	71.4	71.4	69.4	68.7
Corporate Services				
Permanent - Full time	46.0	46.0	45.0	45.0
Permanent - Part time	11.3	11.3	11.3	11.3
Total Corporate Services	57.3	57.3	56.3	56.3
Environment, Recreation and Infrastructure				
Permanent - Full time	45.0	45.0	45.0	45.0
Permanent - Part time	4.8	4.8	4.8	4.8
Total Environment, Recreation and Infrastructure	49.8	49.8	49.8	49.8
City Planning and Community Services				
Permanent - Full time	125.0	125.0	125.0	125.0
Permanent - Part time	107.4	107.4	107.4	107.4
Total City Planning and Community Services	232.4	232.4	232.4	232.4
Casuals and other expenditure	8.6	8.6	8.6	8.6
Capitalised labour costs	13.0	13.0	13.0	13.0
Total staff numbers	432.5	432.5	429.5	428.8