



**Central Goldfields  
Shire Council**

## **COUNCIL PLAN**

**2017 - 2021**

# COUNCIL'S MESSAGE - EXECUTIVE SUMMARY

Council is very pleased to present the Central Goldfields Shire Council's Plan 2017 – 2021. The Plan represents the roadmap towards achieving our vision – to be a vibrant, thriving and inclusive community.

We are extremely optimistic about the future of Central Goldfields and what together with our community, we can achieve.

Council will focus on four broad interrelated areas:

Our Community

Our Economy

Our Built and Natural Environment

Our Organisation

Sustainability and growth will be key principles for Council in all areas.

Council spent considerable time preparing this plan, and to begin identifying priority areas Council heard from the community. The first ideas for the plan were confirmed through the large amount of feedback received from residents.

The Shire has experienced growth including key infrastructure projects and we will continue to work with State and Federal Government around projects and initiatives that will serve our population into the future.

We will also collaborate with Councils across the region on areas including economic development, services, environmental management and tourism to ensure we can all share the benefits of working together.

The focus on providing high quality, valuable services also continues, as does the focus on enhanced community engagement and maintaining a sustainable financial model. Through the Go Goldfields program we will continue to address social and economic challenges.

Council looks forward to delivering on the Council Plan 2017 – 2021.

## Acknowledgement of Country

The ancestors and descendants of the Dja Dja Wurrung are the traditional owners of this Country.

Council respects and acknowledges the unique Aboriginal cultural heritage within.

## Vision

The Central Goldfields Shire Council's vision is:

“To be a vibrant, thriving and inclusive community.”

## Purpose

- “The primary objective of a Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions.”

(sec. 3C (1) Local Government Act 1989)

## Values

These are the behaviours that support our Vision. In all our dealings we will:

### BE INNOVATIVE

Find new and creative ways; focus on the future.

### WORK TOGETHER

Recognise collaboration and partnerships in meeting our challenges and opportunities.

### BE RESPECTFUL, INCLUSIVE AND CARING

Listen, consider all viewpoints and embrace and respect diversity and inclusion, that is, bring everyone along on the journey.

### VALUE KNOWLEDGE

As a way of realizing our potential and encouraging lifelong learning.

### BE ACCOUNTABLE

By being responsible for our actions and always acting with integrity.

## ABOUT CENTRAL GOLDFIELDS

Located at the geographical centre of Victoria, the Central Goldfields Shire covers some 1,550 square kilometers and has an estimated residential population approaching 13,000 people.

Maryborough is the Shire's major business centre with a population of around 7500. Maryborough has gained recognition in recent years as having some of the finest recreation and sporting facilities in regional Victoria, together with significant historical buildings dating back to the goldmining era of the 1850s. With an expanding passenger rail service Maryborough acts as a sub-regional centre providing connectivity with our regional and metropolitan neighbours.

Other towns in the Shire include Bealiba, Carisbrook, Dunolly, Majorca, Talbot, Bowenvale-Timor and the rural districts surrounding these centres. All are noteworthy for their heritage architecture and significant agriculture industries, supporting an increasing level of visitations.

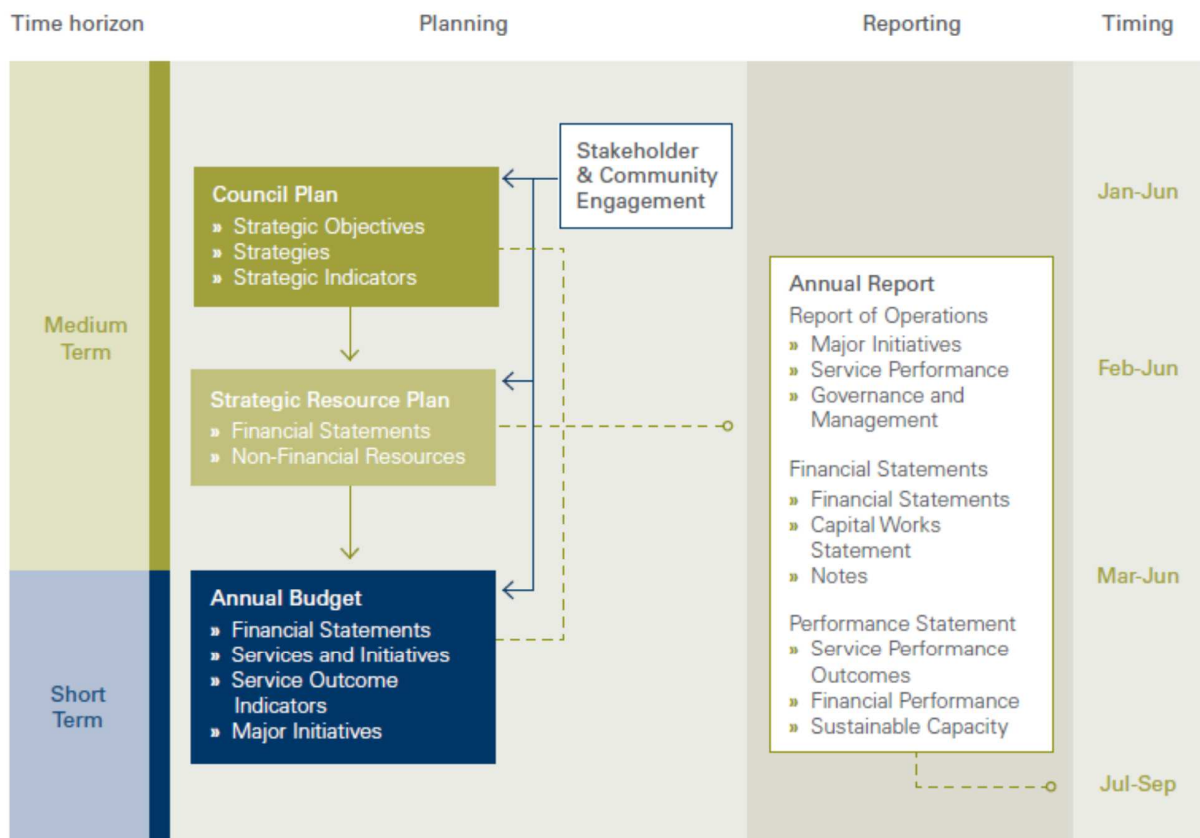
The Shire has experienced significant growth including key infrastructure projects and residential developments, together with real community renewal. Central Goldfields Shire has excellent schools, health facilities, and amenities that support an attractive lifestyle.

The Shire is located within one hour drive from main provincial centres of Bendigo and Ballarat and 2 hours from Melbourne.

### Municipal Snapshot

Population	12,561	
	(Australian Bureau of Statistics – Estimated Resident Population 30 / 6 / 16)	
Area	1,532km <sup>2</sup>	
Rateable properties	8,348	
Number of Employees	143.8 EFT	
Number of Councillors	7	
Rate Revenue	\$10.6m (2016/17)	
Total Expenditure	\$32.0m (2016/17)	
Length of sealed local roads	507kms	
Length of unsealed local roads	793kms	
Young people having completed Year 12 or equivalent (2014)		63%
	(State average 85%)	
Prep students having reading skills at/above foundation level (2015)		76%
	(State average 62%)	
Median Household Income (2015)	\$685/week	
	(State average \$1216)	

# Local Government Victoria - Planning and Accountability Framework



# Context:

## Our Competitive Advantage

- Location – less than 1 hour equal distance between two main provincial centres; 2 hours from Melbourne; 2 hours from the coast or from the Murray River.  
Easy access to Australian capital cities.
- Sub-Regional Hub – Maryborough provides a significant sub-regional hub of retail, industry and services for central Victoria.
- An established manufacturing sector, expanding food processing sector and visitor economy.
- Key lifestyle infrastructure and services around education, health and recreation
- A choice of housing options and affordable real estate including significant heritage homes.
- Moderate climate.
- Supportive communities including groups and service clubs.
- Whole of life stages accommodation.
- An expanding passenger rail service traversing a designated growth corridor.

## Our Challenges and Opportunities

### External factors impacting Central Goldfields Shire:

- Climate variability
- Water
- Population growth and changing demographics
- State of the global economy
- State of the domestic economy
- Impact of digital communications

### Internal factors impacting Central Goldfields Shire:

- Demography of municipality
  - o Slow population growth
  - o Ageing population
  - o Levels of Disadvantage
- Community expectations
- Revenue sources and levels
- A heritage backdrop.

# Go Goldfields

People often ask 'what is Go Goldfields?' Put simply Go Goldfields is our community working together towards a positive future.

The Central Goldfields Shire Council is the backbone for this work, this means that Council supports the work by:

- Holding the whole and making sure that leaders in our work are supported to drive the changes needed.
- Understanding the work that is being done by the action groups and working groups, breaking down silos and assisting everyone in working towards shared, desired community outcomes.
- Ensuring resourcing for the work, understanding funding requirements and tracking progress.
- Supporting community engagement and communication.
- Building alignment and strengthening networks within the whole community.
- Ensuring that there is a supportive environment to do this work within local, regional, state-wide and national contexts.
- Creating an environment that supports participation from people in ways that they want to and can contribute beyond formal meeting and engagement structures.
- Supporting the overall two speed process of rapid cycles of learning and long-term social change.

When we talk about Go Goldfields the 'we' is not the team at Council but everyone who has an opinion, passion, commitment and influence to help us achieve our shared aspirations of:

Our community aspiring, achieving and living a full life where:

- Family Violence is unacceptable in our community
- Children are loved and safe
- Everyone has the language and literacy skills needed
- Young people are celebrated as they strive to reach their full potential
- Everyone can learn, earn, achieve and dream

These are ambitious outcomes but to help us achieve this we have structures and processes in place and commitments from:

- Community (people who live, work and play in the community)
- Services and Education
- Business
- Philanthropy and other funders
- Government departments
- Peak Bodies

In addition to the role as Backbone, Council is also committed to embedding the work of Go Goldfields in our roles as:

- Leaders of community culture where people feel they have a future and can achieve
- Service providers to children, youth and families
- The second largest public employer in the community, and
- A \$33 million business in the community.

Consequently the Council Plan endeavours not only to support the backbone work of Go Goldfields but to demonstrate how Council as an organisation is 'walking the talk'.

# Platforms

Council has adopted the following four Platforms as a framework to guide its decisions and actions over the next four years:

## Our Community:

Foster community connectedness and social capital, and services which improve people's health and wellbeing.

## Our Economy:

Advocate, innovate and support to grow employment and diversify the local economy.

## Our Built and Natural Environment:

Value, conserve and enhance the rich built and natural heritage and environment.

## Our Organisation:

Implement strong, transparent corporate governance.



## 1) Our Community

Objective: To support community cohesion, and, health and wellbeing.

### 2017 – 2021 Priorities

### Key Projects

- |     |   |  |
|-----|---|--|
| 1.1 | Continue implementation of the Go Goldfields program, and work towards program sustainability.  | <ul style="list-style-type: none"><li>• Advancement of projects in areas of<ul style="list-style-type: none"><li>- Early Years Literacy</li><li>- Engagement of Young People</li><li>- Addressing Family Violence</li><li>- Work Readiness</li></ul></li></ul> |
| 1.2 | Support volunteerism in the community   | <ul style="list-style-type: none"><li>• Promote the benefits of membership of a volunteer organisation.</li><li>• Provide a Community Grants Scheme to assist work of community groups.</li><li>• Produce annually Leisure Services Guide.</li></ul>           |
| 1.3 | Identify areas of priority in public health and wellbeing   | <ul style="list-style-type: none"><li>• Implement Central Goldfields Public Health and Wellbeing Plan.</li></ul>   |
| 1.4 | Provide municipal emergency and fire prevention services, and, safe public places.  | <ul style="list-style-type: none"><li>• Coordinate Municipal Emergency Management Plans and Committee.</li><li>• Strengthen public safety and maintain public places.</li></ul>  |
| 1.5 | Develop arts and creativity within the broader community culture and optimise community participation in arts and cultural activities | <ul style="list-style-type: none"><li>• Facilitate exhibitions/activities.</li><li>• Active participation in regional opportunities including the Regional Centre for Culture program.</li></ul>   |
| 1.6 | Optimise community participation in recreation and sport  | <ul style="list-style-type: none"><li>• Provide a range of facilities and programs across the municipality.</li><li>• Continue to implement Recreation Plans.</li></ul>  |
| 1.7 | Support positive development for residents of all ages and abilities.   | <ul style="list-style-type: none"><li>• Build connections for young people.</li><li>• Support positive ageing.</li><li>• Support positive life opportunities for people living with a disability.</li></ul>  |
| 1.8 | Support approaches to learning and learning models  | <ul style="list-style-type: none"><li>• Implement early years services delivery model.</li><li>• Support Flexible Learning models.</li></ul>   |
| 1.9 | Maximise all forms of connectivity for the community  | <ul style="list-style-type: none"><li>• Advocate for enhanced passenger rail services.</li><li>• Support Walking and Cycling Strategies/Trails including those within the municipality and those connecting with Bendigo/Ballarat.</li></ul>                   |

## 2) Our Economy

Objective: To support economic activity which contributes to the municipality's economic prosperity.

### 2017 – 2021 Priorities

### Key Projects

- |      |   |  |
|------|---|--|
| 2.1  | Encourage and support targeted economic activity                      | <ul style="list-style-type: none"><li>• Develop an Economic Development Strategy which identifies our competitive capabilities.</li><li>• Job creation/retention initiatives.</li></ul>  |
| 2.2  | Targeted population growth  | <ul style="list-style-type: none"><li>• Review Council's Population Growth Strategy.</li><li>• Pursue development of the Maryborough Ballarat (Rail) Growth Corridor.</li></ul>  |
| 2.3  | Support existing businesses across Central Goldfields                 | <ul style="list-style-type: none"><li>• Support of the Central Goldfields Business Group.</li><li>• Event to recognise/celebrate Central Goldfields Businesses.</li></ul>  |
| 2.4  | Recognise the multiplier impact of the agricultural sector            | <ul style="list-style-type: none"><li>• Seek direct and value-adding opportunities in the sector.</li></ul>  |
| 2.5  | Facilitation of the food processing sector                            | <ul style="list-style-type: none"><li>• Pursue partners for the emerging food cluster.</li></ul>   |
| 2.6  | Grow the digital capability of the Shire                              | <ul style="list-style-type: none"><li>• Encourage NBN connection.</li><li>• Advocate to minimise mobile phone black spots.</li><li>• Encourage growth of digital platforms.</li></ul>  |
| 2.7  | Pursue a sewerage scheme for Talbot township                          | <ul style="list-style-type: none"><li>• Establish as applicable public health and economic business case for a scheme/alternate options and undertake focused advocacy around same.</li></ul>  |
| 2.8  | Grow events in Central Goldfields                                     | <ul style="list-style-type: none"><li>• Review Council's events strategy.</li></ul>  |
| 2.9  | Capitalise on tourism/visitor economy and optimise benefits therefrom | <ul style="list-style-type: none"><li>• Advance the Goldfields Heritage Development and Opportunity project.</li><li>• Develop a Tourism Strategy.</li><li>• Develop key partnerships in the sector and generally leverage off heritage.</li><li>• Explore the potential of cycle tourism.</li></ul> |
| 2.10 | Develop a skilled workforce to support economic growth                | <ul style="list-style-type: none"><li>• Support work readiness initiatives, specifically within the Go Goldfields program.</li></ul>   |

### 3) Our Built and Natural Environment

Objective: To support the rich built and natural heritage and focus on a sustainable environment.

#### 2017 – 2021 Priorities

#### Key Projects

- |     |  |  |
|-----|--|--|
| 3.1 | Maintain the Council's major asset categories  | <ul style="list-style-type: none"><li>• Review rolling programs of works and implement as per budget.</li></ul>  |
| 3.2 | Undertake township enhancements in accordance with urban design framework                            | <ul style="list-style-type: none"><li>• Township works as per budget.</li><li>• Renew the Maryborough urban design framework.</li><li>• Development of the Maryborough Civic Precinct and surrounds.</li></ul> |
| 3.3 | Undertake flood mitigation works at Carisbrook, and, at Dunolly as appropriate                       | <ul style="list-style-type: none"><li>• Flood mitigation construction works.</li></ul>   |
| 3.4 | Maintain the most appropriate Waste Management service   | <ul style="list-style-type: none"><li>• Review the Central Goldfields Waste Management Plan.</li></ul>   |
| 3.5 | Identify future Shire residential growth zones   | <ul style="list-style-type: none"><li>• Review the Central Goldfields Planning Scheme.</li><li>• Complete the Maryborough North residential rezoning project.</li></ul>  |
| 3.6 | Remain cognizant of the Central Goldfields 2012- 2020 Sustainability Plan and greenhouse gas targets | <ul style="list-style-type: none"><li>• Review opportunities for actions in the Sustainability Plan.</li><li>• Participate in the Central Victorian Greenhouse Alliance.</li></ul>                             |

#### 4) Our Organisation

Objective: To support strong, transparent corporate governance.

##### 2017 – 2021 Priorities

4.1 Ensure the financial sustainability of Council

4.2 Deliver the 'core business' of Council in an efficient and effective way

4.3 Ensure Council's regulatory environment operates efficiently and effectively

4.4 Optimise community engagement

4.5 Pursue a best practice approach to leadership and governance

##### Key Projects

- Annual budget preparation and compliance.
- Continue work around the Financial Sustainability of Local Government.
- Seek opportunities to grow the rate base.
- Review service delivery (and utilising the Know Your Council performance reporting as a guide).
- Review service delivery including service levels and fees.
- Review Councils communications and Councils consultation strategies, including digital applications.
- Build strategic partnerships and alliances including with regional Councils.
- Advocate on key issues affecting the Shire.
- Develop relevant policies and procedures.
- Utilise opportunities to promote the organisation and the municipal district.

# STRATEGIC RESOURCE PLAN

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.

Council has prepared a Strategic Resource Plan for the five years 2017/18 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 five 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 Plan. The key financial objectives, which underpin the SRP, are:

- Maintain existing service levels
- Achieve a breakeven operating result within five years
- 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 level of rate burden
- Consider the financial effects of Council decision on future generations
- Provide full, accurate and timely disclosure of financial information.

The SRP is updated annually through a rigorous process of analysis to achieve these key financial objectives.

The following table summaries the key financial indicators for the next five years as set out in the Long Term Financial Plan for years 2017/2018 to 2021/2022.

Indicator	Budget		Strategic Resource Plan		
	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000
Operating surplus/(deficit)	3,104	1,667	2,170	2,094	2,012
Cash from operations	7,688	6,250	6,752	6,678	6,593
Cash increase/(decrease)	(1,699)	232	72	(341)	59
Cash and investments	4,828	5,059	5,131	4,790	4,849
Borrowings outstanding	4,460	3,103	2,039	1,000	0
Depreciation	4,571	4,571	4,571	4,571	4,571
Capital expenditure	9,167	5,446	5,817	6,220	5,714
Working capital	931	1,456	1,553	1,251	2,310
Net worth	287,710	289,377	291,547	293,642	295,654

## Key Assumptions & Performance Indicators

The key assumptions of the Long Term Financial Plan are as follows:

- **Service Delivery** – Service levels to be maintained throughout the five year period.
- **Rating Strategy** - Rates will increase by an average of 2.4% p.a through to 2021/2022.
- **Borrowing Strategy** – Borrowings to reduce to \$0 by 30 June 2022.
- **Infrastructure Strategy** – An average \$6.473 million per year will be spent to 2021/2022.
- **Financial Sustainability** – Cash and investments will remain relatively stable during the five year period, increasing in 2021/2022.

## Financial Performance Indicators

Indicator	Measure	Notes	Forecast	Budget 17/18	Strategic Resource Plan Projections				Trend +/-
			Actual 16/17		18/19	19/20	20/21	21/22	
<b>Operating Position</b>									
Adjusted underlying result	Adjusted underlying surplus (deficit)/Adjusted underlying revenue	1	-0.56%	-10.01%	6.11%	7.25%	5.73%	6.94%	+
<b>Liquidity</b>									
Working Capital	Current assets/current liabilities	2	152%	113%	121%	122%	118%	139%	+
Unrestricted Cash	Unrestricted cash/current liabilities		152%	113%	121%	122%	118%	139%	+
<b>Obligations</b>									
Loans & Borrowing	Interest bearing loans and borrowings/rate revenue	3	37%	32%	21%	14%	6%	0%	+
Loans and borrowing	Interest and principal repayments/rate revenue		10%	5%	10%	8%	7%	7%	+
Indebtedness	Non-current liabilities/own source revenue		26%	19%	12%	7%	2%	2%	+
Asset renewal	Asset renewal expenditure/depreciation	4	94%	87%	65%	76%	79%	70%	-

Indicator	Measure	Notes	Forecast		Strategic Resource Plan Projections				Trend +/-
			Actual 16/17	Budget 17/18	18/19	19/20	20/21	21/22	
<b>Stability</b>									
Rates concentration	Rate revenue/adjusted underlying revenue	5	48%	53%	53%	53%	55%	55%	o
Rates effort	Rate revenue/property values (CIV)		1%	1%	1%	1%	1%	1%	o
<b>Efficiency</b>									
Expenditure level	Total expenditure/no. of assessments		\$ 3,387	\$ 3,467	\$ 3,061	\$ 3,115	\$ 3,185	\$ 3,223	o
Expenditure level	Specific purpose grants expended/Specific purpose grants received		100%	100%	100%	100%	100%	100%	o
Revenue level	Residential rate revenue/no. of residential assessments		\$ 1,190	\$ 1,213	\$ 1,254	\$ 1,297	\$ 1,340	\$ 1,386	+
Workforce turnover	No. of resignations & terminations/average no. of staff		6%	5%	7%	5%	5%	5%	o
<b>Keys to Forecast Trend:</b>									
+ 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									
<b>Notes to indicators</b>									
<p><b>1 - Adjusted underlying result.</b> 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.</p> <p><b>2 - Working Capital.</b> The proportion of current liabilities represented by current assets. Working capital is forecast to decrease significantly in 2017/18 year due to a run down in cash reserves to fund the capital program. The trend in later years is to remain steady at an acceptable level.</p> <p><b>3 - Debt compared to rates.</b> Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.</p> <p><b>4 - Asset renewal.</b> This percentage indicates the extent of Council's renewals 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.</p> <p><b>5 - Rates concentration.</b> Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.</p>									

## Non Financial Resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular, human resources.

The range of services undertaken by Council generally involves the efforts of approximately 230 staff, of which 160 work part time, casual and on contract. Additional staff have been employed prior to 2017/2018 to run initiatives such as Neighbourhood Renewal, Go Goldfields, Preventive Health and Art Central, with some of these projects either complete, or now nearing completion.

The skill base of Council's workforce is very diverse with staff holding qualifications in specialised areas such as aged care, engineering, accounting, local government, health care, planning, building, public administration, and other fields.

The Local Authorities Award and the Central Goldfields Shire Enterprise Bargaining Agreement (EBA) No.6 (Extension Variation) govern the employment of Council staff.

	Forecast	Budget	Strategic Resource Plan Projections			
	Actual		2018/19	2019/20	2020/21	2021/22
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$	\$	\$	\$	\$	\$
<b>Employee costs</b>						
- Operating	11,966,909	<b>12,429,799</b>	11,364,426	11,633,689	11,977,783	12,163,391
- Capital	718,015	<b>732,170</b>	681,866	698,021	718,667	729,803
<b>Total</b>	<b>12,684,924</b>	<b>13,161,969</b>	<b>12,046,291</b>	<b>12,331,710</b>	<b>12,696,450</b>	<b>12,893,195</b>

## Rating Strategy

### Strategy Development

The Rating Strategy reviewed by Council in 2014/2015 will form the basis for raising rates in the 2017/2018 financial year. It is prefaced on Council's aim to encourage economic development activity and to reflect the cost of infrastructure in achieving employment and commercial opportunities within the shire.

Rates will be raised by the application of differential rates. It is considered that each differential will contribute to the equitable and efficient carrying out of Council's functions. The functions include:

- The construction and maintenance of public infrastructure
- The development and provision of health and community services
- The provision of general support services

In accordance with Council's Rating Strategy, a municipal charge will be levied for the purpose of covering part of the administrative or "baseline" costs of Council's operations. A municipal charge applies equally to all rateable properties and is found to be an equitable method of distributing a portion of the administrative costs

A service charge will be levied for the purpose of covering the cost of collection, removal and disposal of refuse and rubbish. The charge reflects the volume of rubbish collected, that is a standard (80 litre urban & 140 litre rural) bin service, a 140 litre (urban) bin service or a 240 litre (rural) bin service will be offered to residents. Charges have been set to encourage waste minimisation practices.



### Current Year Rate Increase

The 2017/2018 operating position is predicted to be impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future revenue growth, whilst containing costs, in order to achieve a breakeven position in the long term.

In achieving these objectives whilst maintaining service levels and a robust capital expenditure program, general rates will increase by 2.0% in 2017/2018 raising a total rate of \$11.331 million (including supplementary rates). The following table sets out future proposed rate increases and total rates to be raised (including supplementary rates).

Year	Rate Income Increase	Total Rates Raised
2017/2018	2.0%	11,330,935
2018/2019	2.5%	11,703,265
2019/2020	2.5%	12,087,905
2020/2021	2.5%	12,485,263
2021/2022	2.5%	12,895,761

### Rates and Revaluations

During 2015/2016 a revaluation of all properties within the municipality was carried out and will apply from 1 January 2016 for the 2016/2017 and 2017/2018 rating years. The purpose of the revaluation is to measure how much each property is worth. The outcome of the general revaluation has been an overall reduction in property valuations throughout the municipality.

The revaluation does not generate extra revenue for Council, it redistributes the existing rate revenue across the Shire based on the assessed property values. General rates will raise 35% of all revenue from all sources for 2017/2018.

Council uses the Capital Improved Value (CIV) as its basis for calculating general rates. CIV is the value of the land plus buildings and other improvements, and is based on the sales of similar properties. In some cases, properties may be valued higher if significant improvements have recently been completed. Business property valuations are based on how much rent a property can be let for, based on similar properties in the precinct.

Rate type	2016/2017	2017/2018
Maryborough Residential - cents in \$ of CIV	0.005340	0.005447
Residential Other – cents in \$ of CIV	0.004272	0.004357
Commercial Maryborough – cents in \$ of CIV	0.008544	0.008715
Commercial Other – cents in \$ of CIV	0.006408	0.006536
Industrial – cents in \$ of CIV	0.005874	0.005991
Farm – cents in \$ of CIV	0.004272	0.004357
Vacant Land Maryborough – cents in \$ of CIV	0.009612	0.009804
Vacant Land Other – cents in \$ of CIV	0.008010	0.008170
Municipal Charge - \$ per property	\$251.85	\$256.90
Standard Garbage - \$ per property	\$356.20	\$366.85
140 Litre Urban, 240 Litre Rural - \$ per property	\$457.30	\$471.00
Waste Management Fee - \$ per property	\$116.95	\$120.45
Recycling Charge - \$ per property	\$97.00	\$99.90

## Borrowing Strategy

### Strategy Development

In the past, Council borrowed to finance large infrastructure projects and since this time has been in a phase of debt reduction. This has resulted in a reduction in debt servicing costs, but has meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs. With Council reserves now forecast to be \$350,000 at 30 June 2017, it may be necessary in future years for Council to reconsider the issue of additional borrowings.

### Current Year Borrowings

For the 2017/2018 year, Council has decided not to take out any new borrowings and therefore, after making loan repayments of \$569,463, will reduce its total interest bearing liabilities to \$4,460,115 as at 30 June 2018. Council intends to make considerable interest bearing liability payments over the Long Term Financial Plan with the intention of reducing its total interest bearing liabilities to \$0 as at 30 June 2022.

### Loan Position

The following table sets out the status of Council's interest bearing liability over the coming 2017/2018 to 2021/2022 financial years.

Year	Interest Bearing Liability Paid	Debt Interest Paid	Balance 30 June
2017/2018	569,463	173,991	4,460,115
2018/2019	1,357,553	156,868	3,102,563
2019/2020	1,064,042	113,007	2,038,521
2020/2021	1,038,521	67,377	1,000,000
2021/2022	1,000,000	43,700	0

The table below shows information on borrowing specifically required by the Regulations:

	2016/17 \$	2017/18 \$
Total amount borrowed as at 30 June of prior year	6,094,231	5,029,579
Total amount to be borrowed	-	-
Total amount projected to be redeemed	1,064,652	569,463
Total amount proposed to be borrowed at 30 June	5,029,579	4,460,115

### Infrastructure Strategy

Council has developed an Infrastructure Strategy which sets out the capital expenditure requirements of the Council for the next 5 years by class of asset and project and is a key input to the long term financial plan. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The Strategy has been developed through a rigorous process with the key aspects of the process as follows:

- Long term capital planning process which integrates with the Council Plan, Long Term Financial Plan and Annual Budget processes
- Identification of capital project through the preparation of asset management plans
- Prioritisation of capital projects within classes on the basis of evaluation criteria.

A key objective of the Infrastructure Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

The capital planning process is undertaken annually and used to ensure that the Infrastructure Strategy represents the current capital expenditure requirements of the Council.

A measure of Council's performance in respect to infrastructure management is the proportion of the total asset value consumed (equivalent to the annual depreciation charge), compared to the amount spent in preserving the asset (expenditure aimed at ensuring the asset reaches its intended useful life) on an annual basis.

The Statement of Capital Works shows that Council needs to consider additional sources of income so that it can sustain the current service levels required.

### **Key Influences for 2017/2018**

The following influences have a significant impact on the Infrastructure Strategy for the 2017/2018 year:

- Government funding in real terms for the upgrade of roads and bridges
- Requirements for landfill operation and rehabilitation works
- Requirements for flood mitigation works
- Reduced cash and investment reserves to fund future capital expenditure.

## Future Capital Works

The following table summarises Council projected capital expenditure program:

<b>BUDGETED CAPITAL WORKS STATEMENT</b>					
<b>For the five years ending 30 June 2022</b>					
	<b>Budget</b>	<b>Strategic Resource Plan Projections</b>			
	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Property</b>					
Land	92,000	94,000	86,000	78,000	80,000
Buildings	515,500	268,500	178,000	404,800	260,300
<b>Total Property</b>	<b>607,500</b>	<b>362,500</b>	<b>264,000</b>	<b>482,800</b>	<b>340,300</b>
<b>Plant and Equipment</b>					
Plant & Equipment	788,000	794,000	682,000	891,000	1,068,000
Furniture & Fittings	61,000	56,000	41,000	62,000	43,000
<b>Total Plant &amp; Equipment</b>	<b>849,000</b>	<b>850,000</b>	<b>723,000</b>	<b>953,000</b>	<b>1,111,000</b>
<b>Infrastructure</b>					
Roads	4,098,000	3,512,000	4,152,500	3,374,000	2,951,500
Kerb & Channel	128,000	159,000	130,000	130,000	140,000
Pathways	114,300	211,000	107,000	134,000	180,000
Bridges & Major Culverts	305,738	90,000	180,000	870,000	695,000
Drainage	2,990,000	181,000	181,000	191,000	201,000
Minor Culverts	60,000	66,000	65,000	70,000	80,000
Waste Water Assets	15,000	15,000	15,000	15,000	15,000
<b>Total Infrastructure</b>	<b>7,711,038</b>	<b>4,234,000</b>	<b>4,830,500</b>	<b>4,784,000</b>	<b>4,262,500</b>
<b>Total Capital Works Expenditure</b>	<b>9,167,538</b>	<b>5,446,500</b>	<b>5,817,500</b>	<b>6,219,800</b>	<b>5,713,800</b>
<b>Types of Capital Works</b>					
Renewal	3,996,238	2,989,500	3,485,500	3,624,800	3,222,800
Upgrade	3,828,000	1,270,000	1,438,000	1,245,000	1,173,000
New	1,343,300	1,187,000	894,000	1,350,000	1,318,000
Expansion	-	-	-	-	-
<b>Total Capital Works Expenditure</b>	<b>9,167,538</b>	<b>5,446,500</b>	<b>5,817,500</b>	<b>6,219,800</b>	<b>5,713,800</b>

The following table is a summary of Council's forward outlook on capital expenditure, including funding sources, for the next 5 years.

<b>Summary of funding sources</b>					
<b>Year</b>	<b>Total Capital Program</b>	<b>Grants</b>	<b>Contributions</b>	<b>Council Cash</b>	<b>Borrowings</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
2017/2018	9,167,538	6,828,500	26,500	2,312,538	0
2018/2019	5,446,500	542,000	356,500	4,548,000	0
2019/2020	5,817,500	675,000	456,500	4,686,000	0
2020/2021	6,219,800	1,017,000	250,000	4,952,800	0
2021/2022	5,713,800	542,000	0	5,171,800	0

## LONG TERM FINANCIAL PLAN

<b>BUDGETED COMPREHENSIVE INCOME STATEMENT</b>					
<b>For the five years ending 30 June 2022</b>					
	<b>Budget</b>	<b>Strategic Resource Plan Projections</b>			
	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenues from Ordinary Activities</b>					
Rates and charges	14,020,027	14,473,265	14,941,905	15,425,263	15,923,761
Grants (operating recurrent)	6,575,872	6,983,342	7,139,060	7,146,352	7,256,249
Grants (capital recurrent)	1,085,000	542,000	542,000	542,000	542,000
Grants (capital non recurrent)	5,743,500	-	133,000	475,000	-
Interest	203,150	198,350	205,100	206,903	213,760
User fees	3,968,923	4,508,993	4,686,612	4,392,442	4,473,876
Statutory fees and fines	409,290	464,984	483,301	452,965	461,362
Reimbursements & Contributions	115,386	114,571	107,423	110,291	113,177
<b>Total Revenues</b>	<b>32,121,148</b>	<b>27,285,506</b>	<b>28,238,401</b>	<b>28,751,216</b>	<b>28,984,184</b>
<b>Expenses from Ordinary Activities</b>					
Employee benefits	12,429,799	11,364,426	11,633,689	11,977,783	12,163,391
Materials and services	2,150,153	2,434,295	2,491,972	2,565,678	2,605,436
Contract providers	9,652,659	7,052,663	7,219,766	7,433,307	7,548,494
Depreciation and amortisation	4,571,431	4,571,431	4,571,431	4,571,431	4,571,431
Bad debts	26,300	27,300	28,300	29,300	30,300
Finance costs	173,992	156,868	113,007	67,377	43,700
<b>Total Expenses</b>	<b>29,004,334</b>	<b>25,606,984</b>	<b>26,058,165</b>	<b>26,644,876</b>	<b>26,962,753</b>
Asset revaluations and other adjustments	-	-	-	-	-
Net gain (loss) on disposal of assets	(12,440)	(11,543)	(10,090)	(11,968)	(9,008)
<b>Total comprehensive result</b>	<b>3,104,375</b>	<b>1,666,979</b>	<b>2,170,146</b>	<b>2,094,372</b>	<b>2,012,424</b>

<b>BUDGETED BALANCE SHEET</b>					
<b>For the five years ending 30 June 2022</b>					
		Strategic Resource Plan Projections			
	Budget				
	30 June	30 June	30 June	30 June	30 June
	2018	2019	2020	2021	2022
<b>Current Assets</b>					
Cash	4,828,087	5,059,837	5,131,762	4,790,562	4,849,774
Receivables	1,850,183	1,850,183	1,850,183	1,850,183	1,850,183
Other	497,542	497,542	497,542	497,542	497,542
Non-current assets classified as held for sale	1,073,940	1,073,940	1,073,940	1,073,940	1,073,940
<b>Total Current Assets</b>	<b>8,249,752</b>	<b>8,481,502</b>	<b>8,553,428</b>	<b>8,212,227</b>	<b>8,271,440</b>
<b>Current Liabilities</b>					
Payables	3,314,387	3,314,387	3,314,387	3,314,387	3,314,387
Interest Bearing Liabilities	1,357,553	1,064,042	1,038,521	1,000,000	-
Provisions	2,646,744	2,646,744	2,646,744	2,646,744	2,646,744
<b>Total Current Liabilities</b>	<b>7,318,684</b>	<b>7,025,173</b>	<b>6,999,652</b>	<b>6,961,131</b>	<b>5,961,131</b>
<b>Net Current Assets</b>	<b>931,067</b>	<b>1,456,328</b>	<b>1,553,775</b>	<b>1,251,097</b>	<b>2,310,308</b>
<b>Non-Current Assets</b>					
Fixed Assets	290,005,022	290,082,698	291,116,876	292,513,927	293,467,139
Library Bookstock	300,018	300,018	300,018	300,018	300,018
<b>Total Non-Current Assets</b>	<b>290,305,040</b>	<b>290,382,716</b>	<b>291,416,894</b>	<b>292,813,945</b>	<b>293,767,157</b>
<b>Non-Current Liabilities</b>					
Interest Bearing Liabilities	3,102,563	2,038,521	1,000,000	0	0
Provisions	345,420	345,420	345,420	345,420	345,420
Other Liabilities	77,761	77,761	77,761	77,761	77,761
<b>Total Non-Current Liabilities</b>	<b>3,525,744</b>	<b>2,461,702</b>	<b>1,423,181</b>	<b>423,181</b>	<b>423,181</b>
<b>NET ASSETS</b>	<b>287,710,361</b>	<b>289,377,340</b>	<b>291,547,485</b>	<b>293,641,858</b>	<b>295,654,281</b>
<b>Equity</b>					
Accumulated Surplus	119,848,649	121,465,628	123,585,773	125,630,146	127,592,569
Reserves	167,861,712	167,911,712	167,961,712	168,011,712	168,061,712
<b>TOTAL EQUITY</b>	<b>287,710,361</b>	<b>289,377,340</b>	<b>291,547,485</b>	<b>293,641,858</b>	<b>295,654,281</b>

<b>BUDGETED STATEMENT OF CHANGES IN EQUITY</b>				
<b>For the five years ending 30 June 2022</b>				
	Total	Accumulated Surplus	Revaluation Reserve	Other Reserve
	\$	\$	\$	\$
<b>2018</b>				
Balance at the beginning of the financial year	284,605,987	116,494,275	167,761,712	350,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	3,104,375	3,104,375	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(100,000)	-	100,000
Transfer from reserves	-	-	-	-
<b>Balance at the end of the financial year</b>	<b>287,710,361</b>	<b>119,498,648</b>	<b>167,761,712</b>	<b>450,000</b>
<b>2019</b>				
Balance at the beginning of the financial year	287,710,361	119,498,648	167,761,712	450,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	1,666,979	1,666,979	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(50,000)	-	50,000
Transfer from reserves	-	-	-	-
<b>Balance at the end of the financial year</b>	<b>289,377,340</b>	<b>121,115,628</b>	<b>167,761,712</b>	<b>500,000</b>
<b>2020</b>				
Balance at the beginning of the financial year	289,377,340	121,115,628	167,761,712	500,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	2,170,146	2,170,146	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(50,000)	-	50,000
Transfer from reserves	-	-	-	-
<b>Balance at the end of the financial year</b>	<b>291,547,485</b>	<b>123,235,773</b>	<b>167,761,712</b>	<b>550,000</b>
<b>2021</b>				
Balance at the beginning of the financial year	291,547,485	123,235,773	167,761,712	550,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	2,094,372	2,094,372	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(50,000)	-	50,000
Transfer from reserves	-	-	-	-
<b>Balance at the end of the financial year</b>	<b>293,641,858</b>	<b>125,280,145</b>	<b>167,761,712</b>	<b>600,000</b>
<b>2022</b>				
Balance at the beginning of the financial year	293,641,858	125,280,145	167,761,712	600,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	2,012,424	2,012,424	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(50,000)	-	50,000
Transfer from reserves	-	-	-	-
<b>Balance at the end of the financial year</b>	<b>295,654,281</b>	<b>127,242,569</b>	<b>167,761,712</b>	<b>650,000</b>

<b>BUDGETED CASH FLOW STATEMENT</b>					
<b>For the five years ending 30 June 2022</b>					
	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>					
Receipts from customers	32,121,148	27,285,506	28,238,401	28,751,216	28,984,184
Payments to suppliers	(24,432,902)	(21,035,553)	(21,486,734)	(22,073,445)	(22,391,322)
<b>Net cash inflow (outflow) from operating activities</b>	<b>7,688,246</b>	<b>6,249,953</b>	<b>6,751,667</b>	<b>6,677,771</b>	<b>6,592,862</b>
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant and equipment	348,800	785,850	201,800	239,350	180,150
Payments for property, plant and equipment	(9,167,538)	(5,446,500)	(5,817,500)	(6,219,800)	(5,713,800)
<b>Net cash inflow (outflow) from investing activities</b>	<b>(8,818,738)</b>	<b>(4,660,650)</b>	<b>(5,615,700)</b>	<b>(5,980,450)</b>	<b>(5,533,650)</b>
<b>Cashflows from financing activities</b>					
Proceeds from borrowings/financing	0	0	0	0	0
Repayment of borrowings	(569,463)	(1,357,553)	(1,064,042)	(1,038,521)	(1,000,000)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(569,463)</b>	<b>(1,357,553)</b>	<b>(1,064,042)</b>	<b>(1,038,521)</b>	<b>(1,000,000)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,699,955)</b>	<b>231,750</b>	<b>71,925</b>	<b>(341,200)</b>	<b>59,212</b>
Cash and cash equivalents at the beginning of the financial year	6,528,042	4,828,087	5,059,837	5,131,762	4,790,562
<b>Cash and cash equivalents at the end of the financial year</b>	<b>4,828,087</b>	<b>5,059,837</b>	<b>5,131,762</b>	<b>4,790,562</b>	<b>4,849,774</b>



<b>BUDGETED CAPITAL WORKS STATEMENT</b>					
<b>For the five years ending 30 June 2022</b>					
	<b>Budget</b>	<b>Strategic Resource Plan Projections</b>			
	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Property</b>					
Land	92,000	94,000	86,000	78,000	80,000
Buildings	515,500	268,500	178,000	404,800	260,300
<b>Total Property</b>	<b>607,500</b>	<b>362,500</b>	<b>264,000</b>	<b>482,800</b>	<b>340,300</b>
<b>Plant and Equipment</b>					
Plant & Equipment	788,000	794,000	682,000	891,000	1,068,000
Furniture & Fittings	61,000	56,000	41,000	62,000	43,000
<b>Total Plant &amp; Equipment</b>	<b>849,000</b>	<b>850,000</b>	<b>723,000</b>	<b>953,000</b>	<b>1,111,000</b>
<b>Infrastructure</b>					
Roads	4,098,000	3,512,000	4,152,500	3,374,000	2,951,500
Kerb & Channel	128,000	159,000	130,000	130,000	140,000
Pathways	114,300	211,000	107,000	134,000	180,000
Bridges & Major Culverts	305,738	90,000	180,000	870,000	695,000
Drainage	2,990,000	181,000	181,000	191,000	201,000
Minor Culverts	60,000	66,000	65,000	70,000	80,000
Waste Water Assets	15,000	15,000	15,000	15,000	15,000
<b>Total Infrastructure</b>	<b>7,711,038</b>	<b>4,234,000</b>	<b>4,830,500</b>	<b>4,784,000</b>	<b>4,262,500</b>
<b>Total Capital Works Expenditure</b>	<b>9,167,538</b>	<b>5,446,500</b>	<b>5,817,500</b>	<b>6,219,800</b>	<b>5,713,800</b>
<b>Types of Capital Works</b>					
Renewal	3,996,238	2,989,500	3,485,500	3,624,800	3,222,800
Upgrade	3,828,000	1,270,000	1,438,000	1,245,000	1,173,000
New	1,343,300	1,187,000	894,000	1,350,000	1,318,000
Expansion	-	-	-	-	-
<b>Total Capital Works Expenditure</b>	<b>9,167,538</b>	<b>5,446,500</b>	<b>5,817,500</b>	<b>6,219,800</b>	<b>5,713,800</b>

<b>BUDGETED STATEMENT OF HUMAN RESOURCES</b>					
<b>For the five years ending 30 June 2022</b>					
	<b>Budget</b>	<b>Strategic Resource Plan Projections</b>			
	<b>2017/18</b>	2018/19	2019/20	2020/21	2021/22
	<b>\$</b>	\$	\$	\$	\$
<b>Employee costs</b>					
- Operating	<b>12,429,799</b>	11,364,426	11,633,689	11,977,783	12,163,391
- Capital	<b>732,170</b>	681,866	698,021	718,667	729,803
<b>Total</b>	<b>13,161,969</b>	12,046,291	12,331,710	12,696,450	12,893,195
	EFT	EFT	EFT	EFT	EFT
<b>Staff numbers</b>					
Employee numbers (EFT)	<b>148.00</b>	146.00	146.00	146.00	146.00