

MANSFIELD SHIRE COUNCIL

Special Meeting of Council

Unconfirmed

MINUTES

TUESDAY, 18 APRIL 2017
MANSFIELD SHIRE OFFICE
33 Highett Street, Mansfield
4.15PM

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MINUTES

TUESDAY, 18 APRIL 2017
MANSFIELD SHIRE OFFICE
33 Highett Street, Mansfield
4.15PM

1. OPENING OF THE MEETING

The Mayor, Cr Volkering, opened the meeting at 4.20 pm

Councillors:

Marg Attley	<i>Tolmie Ward</i>
Peter Olver	<i>Mansfield Ward</i>
Paul Sladdin	<i>Bonnie Doon Ward</i>
Paul Volkering	<i>Mansfield Ward</i>
Harry Westendorp	<i>Bonnie Doon Ward</i>

**Chief Executive Officer:
Finance Manager:**

Alex Green
Mandy Kynnersley

2. STATEMENT OF COMMITMENT

The Councillors affirmed the following Statement of Commitment:

“We the Councillors of Mansfield Shire / declare that we will undertake on every occasion / to carry out our duties in the best interests of the community / and that our conduct shall maintain the standards of the Code of Good Governance / so that we may faithfully represent / and uphold the trust placed in this Council by the people of Mansfield Shire.”

3. ACKNOWLEDGEMENT OF COUNTRY

The Councillors affirmed the “Acknowledgement of Country” for the Mansfield Shire Council:

“Mansfield Shire Council recognises that indigenous people have been custodians of this area for generations. We acknowledge the living culture and unique role of Taungurung people in our region.”

4. APOLOGIES

Nil

5. DISCLOSURE OF CONFLICT OF INTERESTS

Nil

6. DEPUTATIONS

Nil



7. PRESENTATION OF REPORTS

7.1 Public Consultation Phase – Draft 2017-2021 Council Plan and Strategic Resource Plan

File Number: E4397
Responsible Officer: Dawn Bray, Governance Co-ordinator

Disclosure of Conflicts of Interest

The author of this report has declared no conflict of interest in relation to this matter.

Introduction

The purpose of this report is to seek Council approval for the commencement of the statutory public consultation period for the draft 2017-2021 Council Plan and Strategic Resource Plan (SRP).

The draft 2017-2021 Council Plan and Strategic Resource Plan have been prepared in accordance with sections 125 and 126 of the *Local Government Act 1989* (the Act). The Plans sets out Council's strategic objectives, strategies for achieving those objectives, the measures by which we will track our performance in delivering the Plan and the allocation of financial and non-financial resources over the next four years.

The development of the draft Plan has been informed by consultation with Council staff, Councillors and through direct engagement with the community through an online survey completed by 126 people and a series of five township meetings attended by nearly 50 people.

The Act requires the draft Council Plan to be placed on public exhibition for a period of no less than 28 days to allow the receipt of written submissions. Submitters can also choose to make a verbal presentation directly to Council in support of their written submission.

It is proposed that Council considers both written and verbal submissions on 30 May 2017 between 2.00pm and 4.30pm in the Council Chamber.

Once all verbal and written submissions have been heard and considered, the Council Plan and/or SRP will be amended as decided by the Council and the revised Plans submitted to Council for adoption on 27 June 2017.

Background

The Council Plan and Strategic Resource Plan are the key strategic documents that will guide the allocation of resources and work undertaken by the Administration over the next four years.

The Act requires the Council to prepare and approve a new Council Plan either within six months of the election of a new council or prior to 30 June, whichever is the later. It also states that a Council Plan must outline:



7.1 Public Consultation Phase – Draft 2017-2021 Council Plan and Strategic Resource Plan cont.

- Council's strategic objectives
- strategies for achieving the objectives for at least the next 4 years
- the strategic indicators used to monitor progress against the strategic objectives
- a strategic resource plan that outlines the allocation of financial and non-financial resources for at least the next 4 years.

The SRP demonstrates how the delivery of the Council Plan will be funded and resourced. Section 126 of the Act prescribes the types of financial statements that must comprise the resource plan.

Preparation of the new Council Plan commenced in November 2016 through the identification of the newly elected Council's key objectives for its four year term. Since that time several workshops and discussions have been held with Councillors, Council staff and the community around possible strategies and indicators that support the achievement of Council's strategic priorities.

An online Community Survey was also undertaken to find out:

- what services and facilities people valued the most
- what peoples' objectives were in the future for themselves, their family and the broader community
- where possible budget savings could be found
- the main two reasons why people lived in Mansfield Shire.

Some clear messages came through this process, which have in turn informed Council deliberations about the objectives and strategies in the draft Plan.

The following factors have also been considered:

- linkages to other Council strategies and long term plans
- ensuring the new Plan is achievable and realistic given the tightening fiscal climate in which Council is operating
- recommendations of the City of Geelong Commission of Inquiry around the establishment of a sound strategic framework and managing expectations around what a council can control and influence.

Statutory Requirements

In addition to the statutory requirements already outlined in this report the Act requires Council to ensure that during the mandatory minimum 28 day community consultation period:



7.1 Public Consultation Phase – Draft 2017-2021 Council Plan and Strategic Resource Plan cont.

- a person has a right to make a written submission under section 223 of the Act
- the draft Plan is available for inspection at Council's office and on its website.

Section 223 of the Act requires Council to:

- publish a notice specifying that people are able to submit written comment on the Council Plan and SRP
- enable a person who has made a written submission indicate in their submission that they wish to make a verbal representation to Council, or appoint someone to make the verbal submission on their behalf
- nominate the date and place where the Council will meet, which allows a reasonable time for the submitter to prepare for the meeting (a notice of the meeting must be given to each submitter)
- having considered all written and verbal submissions, notify each submitter of the decision of the Council and the reason for the decisions in writing.

Council Plan

The new draft Council Plan aims to build upon the initiatives and goals of the current Council Plan and echoes some of the existing key strategic objectives such as community resilience, good governance, responsible financial management, responsible growth and development and economic prosperity.

Financial

The SRP outlines how the Council Plan will be resourced. The Act requires the inclusion of financial and non-financial statements for at least a four year period.

The draft SRP demonstrates Council's focus on "getting the house in order" in a financial capacity. This includes:

- closing the asset renewal gap by focussing capital spend on the renewal of assets (approximately the same value as depreciation) prior to directing spending on new assets
- reducing operating expenditure through efficiency gains
- reducing operating expenditure through the reduction of some services
- maximising income

The SRP predicts that by the end of 2020-21 Council will have closed the renewal gap, improved cash reserves above the determined floor of \$3 million, and returned consistent operating surpluses.



7.1 Public Consultation Phase – Draft 2017-2021 Council Plan and Strategic Resource Plan cont.

Social

There is a strong social and community focus in the new draft Plan, which reflects the overwhelming message from our Community Survey that the sense of community spirit and connectedness is the top reason why people live here.

Three of the five Strategic Directions in the plan are related to fostering this connectedness:

- Participation and Partnerships – means people having opportunities to participate in all aspects of community life and decision making. The need for Council to work together with the community, other service providers, private industry and other levels of government is key to ensuring this happens.
- Community resilience and connectivity – focuses on Council assisting the community in achieving its goals and building capacity within the community to take action to support themselves and each other.
- Enhanced liveability – is around ensuring services and facilities respond to changing community needs and that the things that make the Shire such a great place to live are preserved and enhanced through the decisions Council make.

Environmental

The draft Council Plan reflects the value our community, gauged through the responses to our Community Survey, place on our natural environment. When asked what the two main reasons were for people living here, the environment and landscape was in the top four responses. The high level of amenity we enjoy also rates high on the list.

Accordingly the Council Plan includes a Strategic Direction focussing on ‘Enhanced Liveability’. Initiatives to be delivered by Council over the next four years cover improved waste management, carefully balancing the need for economic growth and development with the things that make our Shire special and draw people to it and ensuring our community is able to effectively respond to natural disasters.

Economic

The draft Plan celebrates the fact that Mansfield Shire is one of the fastest growing municipalities in the North East.

While Council understands that it plays a less direct role in creating a favourable economic environment when compared to other levels of government, the draft Plan includes measures to support local agriculture and tourism through training, events and lobbying for funding from higher levels of government.



7.1 Public Consultation Phase – Draft 2017-2021 Council Plan and Strategic Resource Plan cont.

Risk Management

‘Responsible Leadership’ is another of the draft Plan’s five Strategic Directions. Council recognise that it must achieve the highest levels of good governance to successfully mitigate risk whether it be financial, operational or possible harm to people and property.

Community Engagement

As previously mentioned, the development of the Council Plan has been informed by a series of township meetings and a Community Survey. Just under 200 people participated in these discussions, which is a wonderful response from a relatively small community of 8,500 people.

The summary of responses to the Community Survey form **Attachment 1** and have been made available to the community through Council’s website, Facebook page and through the Mansfield Courier.

The conversation with the community will continue during the statutory public exhibition period with a further two community meetings; one at Mansfield on 2 May 2017 and one for non-resident ratepayers in Nunawading on 10 May 2017.

Officer’s Comments

The draft Council Plan not only sets out strategic objectives, initiatives to achieve them and measures to track our performance but it is also a key means of educating the community about our role as the third tier of government and the limitations to what we can do.

One of the ways it does this is to group the strategies to be delivered over the next four years, and the performance measures to track success, under one of three categories relating to the things over which Council:

- has a significant amount of *control* (eg, direct service provision)
- we can *influence* but for which we are reliant on other partnerships, funding bodies or decision makers to support (eg, funding for large infrastructure)
- has an *interest* in as they influence our community but over which we have very minimal influence or control (eg, employment levels and the broader economic environment).

Taking this approach highlights the need for Council to work with its community, private industry, other levels of government and other local service providers if our strategic objectives are to be realised.

Council’s Strategic Direction for the next four years

There has been some discussion in this report about the Strategic Directions that form the foundations of the draft Plan, which are:



7.1 Public Consultation Phase – Draft 2017-2021 Council Plan and Strategic Resource Plan cont.

- Participation and partnerships – We believe it is essential that people have opportunities to participate in all aspects of community life, including Council decision making. Our small community will continue to prosper and succeed if we have strong partnerships with our community, other levels of government, other key service providers and private industry.
- Financial sustainability – We are a small municipality in terms of population. Decisions by other levels of government to cut recurrent funding sources are starting to take a significant toll on our financial sustainability. Informed and decisive action is required by Council during the life of this Plan to secure Mansfield Shire’s long term financial security.
- Community resilience and connectivity – Council’s role is to assist the community in achieving its goals. It is a partnership. Neither Council nor the community can address the challenges and issues we face alone. Through collaboration with our local communities, other agencies and governments, we will assist people to work on their own solutions to the issues that are important to them.
- Enhanced liveability – We have a great quality of life but as our population and needs change, Council has strategies in place to ensure the services and facilities we provide are responsive, sustainable and effective. Council recognises its role as an educator and facilitator around health and wellbeing issues, but we are only one of many authorities and groups that need to work in a coordinated and targeted fashion to improve the quality of life for all. We also understand that the protection and enhancement of the beautiful natural environment in which we live is key to our quality of life.
- Responsible leadership - Council is dedicated to achieving the highest standards of good governance, with a focus on informed, equitable and transparent decision making. Accountability for our actions is important to us and we will report on our decisions and performance through a variety of means. We will be true to our values and create a Council and organisational culture based on inclusiveness, impartiality and integrity.

Attachment 2 summarises the Strategic Objectives that support the Strategic Directions, along with the number of strategies (or initiatives) that will be employed by Council to achieve them.

Measuring our performance

The performance measures to be used to track our success in delivering the Council Plan must be factual and meaningful. Many are drawn from the mandatory Local Government Performance Reporting Framework, available from the Know Your Council Website (www.knowyourcouncil.vic.gov.au), the annual Community Satisfaction Survey or other empirical data from sources such as the Australian Bureau of Statistics.



7.1 Public Consultation Phase – Draft 2017-2021 Council Plan and Strategic Resource Plan cont.

Reports tracking the delivery of actions and performance indicators will be submitted to Council on a quarterly basis. This allows the Administration to update the community on whether or not the initiatives for the relevant year of the Plan are on track and if they are not, why this is so. It is important to remember that priorities may unexpectedly change during any year of the Plan and that perhaps not everything will be delivered as envisaged by the Council Plan timelines.

Further, many of the indicators are measured only once a year and so new data will only be available periodically. Other indicators, such as the time taken to process planning permit applications, are available on a monthly basis and so regular updates can be provided to Council and the community.

Annual review and updates

The Act requires an annual review of the Council Plan and Strategic Resource Plan, which usually occurs between March and June each year. This review process is to ensure the Plans are responsive to unforeseen changes in priorities and is supported by another round of community consultation and submissions.

Process for responding to submissions

All written submissions will be acknowledged in writing shortly after they are received. The details of the meeting date when Council will consider all submissions (including supporting verbal submissions) will be considered will be included in the letter.

Following Council's consideration of the submissions, relevant amendments will be made to the draft Plans and then forwarded to Council for approval on 27 June 2017. The Act requires the Plan to be approved by 30 June 2017.

Shortly after the approval of the Plans letters will be sent to submitters explaining Council's response to their submission.

Conclusion

The draft Council Plan and Strategic Resource Plan have been developed in accordance with the Act and informed by community consultation. Both are now ready to proceed through the formal consultation process, as set out by the Act, to seek written (and supporting verbal) submissions to Council from the community.



7.1 Public Consultation Phase – Draft 2017-2021 Council Plan and Strategic Resource Plan cont.

Cr. Attley/Cr. Westendorp:

That Council:

- 1. Receive the draft Council Plan 2017 – 21, incorporating the draft Strategic Resource Plan 2017 – 21.**
- 2. Given notice in the Mansfield Courier, on Council’s website and Facebook page that the Council Plan and Strategic Resource Plan 2017 – 21 are on public exhibition from 19 April – 19 May 2017, in accordance with section 125 3(A) of the *Local Government Act 1989* and that it is seeking written submissions, which can be supported by a verbal presentation to Council by the submitter or a representative acting on their behalf, as per the provisions of section 223 of the Act.**
- 3. Place a copy of the draft Council Plan and draft Strategic Resource Plan 2017 – 21 on exhibition:**
 - at Council’s Office at 33 Highett Street, Mansfield and the Mansfield Library, Collopy Street Mansfield**
 - on the home page of Council’ website**
 - through a link to a post on Council’s Facebook page.**
- 4. Set the meeting date for Council to hear verbal submissions and consider all written submissions from 2.00pm on 30 May 2017 in the Council Chamber at 33 Highett Street, Mansfield and that the details of this meeting be included in the notice of the public consultation period.**

Carried



ATTACHMENT 7.1

**DRAFT 2017-2021 MANSFIELD SHIRE COUNCIL
PLAN AND STRATEGIC RESOURCE PLAN**

(7 + 78 PAGES)

SUMMARY OF ANSWERS TO BUDGET AND COUNCIL PLAN QUESTIONNAIRE

Q1. What Council service, facility or program do you use and value the most?

126 responses

Service	Number of times mentioned (>1)
Roads & road maintenance	21
Waste & recycling collection	18
Sporting facilities	15
Swimming pool	13
Library	13
Botanic Park	12
Parks	8
Skate park	5
Aged care/ home care	11
Events	3
Planning/building permits	3
Other infrastructure (ie drains, roundabouts and buildings)	3
Community centre	4
Spring Club	3
Financial counselling	2
Maternal & child health	2
Kindergarten	2
Netball courts	2
Small business meetings & workshops	2
Annual green waste collection	2

Q2. What would you like to see happen for you, your family and your community?

122 responses

General aspiration	Number of times mentioned (> 1)
Improved parks and new/better recreation facilities (eg new basketball stadium)	20
Better infrastructure maintenance (including roads & pool)	9
Better networks and linkages for footpaths and bike paths	5
Stronger planning laws to carefully manage growth and avoid inappropriate development, maintain lifestyle, amenity, character	5
Focus on preserving our clean, green environment	6
Green waste collection	6
Connected community that supports each other, particularly the most vulnerable	4
Improved service and a higher standard of planning decisions & development to protect environment, amenity and small town feel	4
Lower council expenditure and rates	4
Increased focus on sealing more roads	4
Bus to Benalla once a fortnight or month	4
Improved transparency & consultation on Council expenditure/decisions	3
Better service & decisions in Planning Dept	3
Increased funding for community events	3
Focus on services and programs for the elderly and youth	3
Don't know	2
Improved parking in Mansfield	2

Indoor heated pool	2
Better consultation around long term planning	2
Continued employment growth	2
Continued and improved library service	2
Increased tourism promotion	3
Improved transport to Mansfield from outer areas	2
Improved weed control	2

Q3. Where do you think Council can make savings?

104 responses

Suggested area for savings	Number of times mentioned (> 1)
Cut staff (no programs or services specified) and wages expenditure	23
Don't know/not sure	14
Better time management, improved efficiency and improved staff performance	9
Increase Council revenue, eg charge for parking	5
Reduced focus on tourism & economic development	5
Reduce use of consultants	5
Better long term infrastructure planning to ensure new capital doesn't increase maintenance costs by looking at whole of life costs before approval	4
More self-sufficient community events by reducing Council funding for events	4
Develop a long-term vision for a sustainable Shire	4
Service reviews to ensure value for money	3
Reduce red tape/ reduce planning permit bureaucracy	2
Fortnightly rubbish collection	2

Outsource council functions eg aged care	2
Reduced focus on youth services	2
Reduce outdoor/maintenance staff	2

Q. 4 What are the two main reasons why you live in the Mansfield Shire?

120 responses

Reason	Number of times mentioned (>1)
Sense of community/community spirit	38
Great lifestyle	19
Family	19
The environment/countryside	16
Employment	7
Excellent services & facilities	9
Amenity/Beautiful towns	6
Atmosphere/vibrancy	5
Climate	5
Peace & quiet	4
Outdoor activities	4
Born here	5
Close to Melbourne	3
Affordability	4
Farming	2

OVERVIEW OF COUNCIL'S DRAFT COUNCIL PLAN STRATEGIC DIRECTIONS, OBJECTIVES AND STRATEGIES

Strategic Direction	Strategic Objectives	Number of Strategies
Participation and partnerships	1.1 Our community has a say in matters of interest to them.	2
	1.2 Council is an effective advocate on behalf of its community.	3
	1.3 Partnerships are strong between key service providers and authorities across the municipality.	4
	1.4 We have high levels of community participation, with growing levels of engagement from our senior citizens and people of all abilities.	5
Financial sustainability	2.1 Council has a strategic, long term financial plan to secure its ongoing financial sustainability.	3
	2.2 We embrace innovation to maximise service efficiency and reduce costs.	1
	2.3 We prudently manage our asset maintenance and capital works programs in line with our long term financial plan.	2
	2.4 Council has secured sustainable levels of recurrent funding and 'own source' revenue.	3
	2.5 Council has maximised shared services with other councils and authorities to	1

	minimise service costs.	
	2.6 Our population continues to steadily grow, supported by the provision of sustainable community infrastructure and services.	2
	2.7 Mansfield's economy is diverse, with the agility to respond to changing consumer demands.	8
Community resilience and connectivity	3.1 Our website and social media outlets are responsive, effective information portals for our community.	1
	3.2 We support our communities in meeting their own needs.	3
	3.3 Mansfield Shire is a welcoming, supportive and inclusive place to be.	4
	3.4 Our community and emergency responders work together to ensure we are prepared for emergencies and natural disasters.	2
	3.5 Council supports the community in its efforts to lobby for the infrastructure it needs to be connected and progressive.	1
Enhanced Liveability	4.1 We have long term strategies and capital works programs in place to respond to changing community needs.	3
	4.2 We are a community that is passionate about arts, culture and heritage.	2
	4.3 Our community proactively manages its health and wellbeing.	3
	4.4 We have strong policy and decision making frameworks in place to protect and enhance the unique character of our	3

	Shire for future generations.	
Responsible Leadership	5.1 We achieve the highest standards of good governance.	2
	5.2 Our organisation is driven by a positive culture.	4
	5.3 Our organisation transparently reports on its performance through a comprehensive reporting and audit framework.	2
	5.4 We make transparent decisions facilitated by community participation at Council meetings.	2

Strategic Resource Plan

2017-2021



MANSFIELD
SHIRE COUNCIL

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Executive Summary

The Strategic Resource Plan (SRP) is a requirement of section 126 of the *Local Government Act 1989* and is a plan for the resources, financial and non-financial, required over a four year period to achieve our Strategic Directions and Strategic Objectives as detailed by the Council Plan 2017-21, which are:

Strategic Direction One—Participation and Partnerships

Strategic Objectives:

- 1.1 Our community has a say in matters of interest to them.
- 1.2 Council is an effective advocate on behalf of its community.
- 1.3 Partnerships are strong between key service providers and authorities across the municipality.
- 1.4 We have high levels of community participation, with growing levels of engagement from our senior citizens and people of all abilities.

Strategic Direction Two—Financial Sustainability

Strategic Objectives:

- 2.1 Council has a strategic, long term financial plan to secure its ongoing financial sustainability.
- 2.2 We embrace innovation to maximise service efficiency and reduce costs.
- 2.3 We prudently manage our asset maintenance and capital works programs in line with our long term financial plan.
- 2.4 Council has secured sustainable levels of recurrent funding and 'own source' revenue.
- 2.5 Council has maximised shared services with other councils and authorities to minimise service costs.
- 2.6 Our population continues to steadily grow, supported by the provision of sustainable community infrastructure and services.
- 2.7 Mansfield's economy is diverse, with the agility to respond to changing consumer demands.

Strategic Direction Three—Community Resilience and Connectivity

Strategic Objectives:

- 3.1 Our website and social media outlets are responsive, effective information portals for our community.
- 3.2 We support our communities in meeting their own needs.
- 3.3 Mansfield shire is a welcoming, supportive and inclusive place to be.
- 3.4 Our community and emergency responders work together to ensure we are prepared for emergencies and natural disasters.
- 3.5 Council supports the community in its efforts to lobby for the infrastructure it needs to be connected and progressive.

Executive Summary continued

Strategic Direction Four—Enhanced Liveability

Strategic Objectives:

- 4.1 We have long term strategies and capital works programs in place to respond to changing community needs.
- 4.2 We are a community that is passionate about arts, culture and heritage.
- 4.3 Our community proactively manages its health and wellbeing.
- 4.4 We have strong policy and decision making frameworks in place to protect and enhance the unique character of our Shire for future generations.

Strategic Direction Five—Responsible Leadership

Strategic Objectives:

- 5.1 We achieve the highest standards of good governance.
- 5.2 Our organisation is driven by a positive culture.
- 5.3 Our organisation transparently reports on its performance through a comprehensive reporting and audit framework.
- 5.4 We make transparent decisions facilitated by community participation at Council meetings.
- 5.5 We have a strong framework in place to proactively mitigate risk.





Link to Council Plan

Council is required under the *Local Government Act 1989* Section 126, to prepare a Council Plan and a Strategic Resource Plan.

The Strategic Resource Plan (SRP) is a plan of the resources required to achieve the Council's strategic objectives, services and initiatives outlined in the Council Plan.

The SRP must include in respect of at least the next four financial years:

- Details of financial resources (financial statements)
- Details of non-financial resources, including human resources

This information must be presented in the form and contain information as required by the regulations.

Council must adopt its SRP by 30 June each year.

Method of Preparation

Councillors, senior staff and managers were involved in researching and evaluating:

- the Council's current service and resource levels to determine the changes needed to address the strategic objectives proposed in the Council Plan
- the impact which assumptions about economic and other factors may have on future projections
- the targets to be met in addressing the Council Plan resource needs, and
- the likely effectiveness of the SRP in achieving the Council's strategic objectives

The following budgeted financial and resource statements are used as bases for providing and assessing relevant information:

- Comprehensive Income Statement
- Balance Sheet
- Statement of changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Planned Human Resources

Link to the Council Plan

Two (2) additional documents are presented to provide further disclosure, specifically:

- Capital works program for the years ended 2018 to 2021
- Summary of planned human resources expenditure

Relationship to Council Plan framework

The SRP is an integral part of the Council Plan and is linked to other Council strategic documents including the Asset Management Plan and Rating Strategy.

Consistency with *Local Government Act 1989* principles

It is important to ensure that the Council adheres to the principles of sound financial management required by section 136 of the *Local Government Act 1989*, in particular:

- Manage financial risks, ensuring that decisions made and actions taken, including rating and spending policies, have due regard for the financial effects on future generations
- Manage risk relating to debt, assets, liabilities, commercial or entrepreneurial activities and changes to the structure of Council's rates and charges base

Appraisal of current position

Council faces a number of challenges in achieving its strategic objectives. These include:

- A large rural road network and aged drainage infrastructure
- Limited financial resources exacerbated by government funding not keeping pace with cost increases
- Increasing Community expectations for services and new facilities/works
- Need for adequate capital renewal expenditure investment
- Increasing maintenance requirements due to increasing asset base
- Population growth
- Increasing requirements of other levels of government
- Introduction of rate capping (Fair Go Rates) legislation





Addressing the challenges

Council is addressing the challenges in a number of ways:

- Maximising asset renewal and maintenance spending for each year of the SRP
- Reducing service levels where required to fund asset renewal
- Adopting a new financial plan for the next 4 years, and a Long Term Financial Plan for the next 10 years
- Maintaining debt management ratios at or below prudential levels
- Conducting service reviews to improve efficiencies/reduce costs
- Progressively reducing the underlying deficit
- Target external funding opportunities

Service Delivery

Service levels have been broadly maintained throughout the period of the SRP and in some cases decreased as a result of ongoing review. For 2017-18 the following decreases in service level are provided for:

- School crossing supervision will no longer be funded by Council
- Annual waste vouchers will no longer be issued with rate notices
- The Community Matching fund has been reduced by 60%
- Financial counselling services will be reduced to match the grant funding levels received

For 2017-18 the following increase in service level are provided for:

- Compliance officer role increased to full time in an effort to allow Council better control to implement rules and regulations, and follow through on non-compliance
- Visitor information service, previously provided by Mansfield Mt Buller Regional Tourism Association (MMBRTA) will be conducted by Council in-house.

In addition Council has provided for a contribution to the installation of telecommunication towers during 2016-17 and 2017-18 – the second payment of \$100,000 is due in 2017-18.

Service levels which will continue to be reviewed over the next 12 months are:

- Waste service
- Tourism initiatives and events
- Aged and Disability Services (to funded levels)

Addressing the challenges *continued*

Rating Strategy

Council reviewed the Rating Strategy in March 2017. The contents of the Strategy have been incorporated into the Budget.

The two key elements of the rating structure are:

- Property values, which reflect capacity to pay
- User pays component to reflect usage of services provided by Council

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential or business purposes. This distinction is based on the concept that business should pay a fair and equitable contribution to rates taking into account the benefits those businesses derived from the local community.

Council uses Capital Improved Value (CIV) as the basis for determining its rates on the grounds that it provides the most equitable distribution of rates across the municipality. Council's rating strategy endorses the following principles:

1. That Council will continue the separate classification of Residential and Rural Residential properties, with a minimum size of 2ha applying to Rural Residential properties
2. That Council will consider the differential between Residential and Rural Residential properties each year
3. That Council will continue to offer a reduction against the Residential Rate for assessments classified as Farm Land
4. That in order to have the Farm Rate apply to a property the ratepayer will need to complete Council's "Application for Classification of Rateable Property as Farmland", which will need to be assessed as meeting criteria set out in the *Valuation of Land Act*, and which will be reassessed on change of ownership of a property



Addressing the challenges *continued*

5. That Council will continue to rate Commercial properties in one category
6. That Council will continue to apply a rate differential greater than the Residential Rate to this category
7. That Council will continue to apply a rate differential greater than the Residential Rate to properties classified as Vacant Land
8. That for each property rated under the *Cultural and Recreational Land Act 1963*, Council will assess each property on its merits in accordance with the criteria outlined in the Act
9. That Council will continue to levy the Municipal Charge

Section 185 of the *Local Government Act* outlines the legislative requirements in relation to setting of a capped average rate on the total annualised revenue leviable from general rates, municipal charges and any other prescribed rates or charges on rateable properties. The Act also outlines the process required for a Council to apply for an exemption of the rate cap. This process is overseen by the Essential Services Commission.

In 2017-18 provision is made for an increase in rates and municipal charges revenue of 2.9%, plus an allowance of \$90,000 for new supplementary rates on new properties. This is in-line with the 2% rate cap set by the Minister, which applies to the average cents/CIV per property. Future years have also been budgeted at the 2.0% rate cap.

Waste charges per property will increase by 2.0% in line with the cap.



Addressing the challenges *continued*

Borrowing Strategy

Borrowings are an important funding source for capital works programs.

Council's borrowing strategy is to only incur debt to finance major new capital works projects and to use the operating cash flows and grants to finance renewal capital works. Council's focus continues to be on debt minimisation and the use of grants and operating cash flows to finance capital renewal works.

This current loan program will result in a decrease in debt servicing costs and a net decrease in debt. No new loans have been projected for the four (4) year period of this plan, nor have any significant new capital projects (that are not externally grant funded). This budget will see Debt as a percentage of Rate revenue reduce from 18% in 2017-18 to 14% by 2020-21.

	Budget 2017-18 \$000	Budget 2018-19 \$000	Budget 2019-20 \$000	Budget 2020-21 \$000
<i>Future Borrowings</i>				
<i>Borrowings at beginning of period</i>	2,948	2,551	2,286	2,113
New Borrowings	0	0	0	0
Loan Redemption	397	265	173	183
<i>Borrowings at end of period</i>	2,551	2,286	2,113	1,930

Council acknowledges that debt levels are low and borrowing is a potential lever to allow new and improved infrastructure development. As such Council has reserved some borrowing capacity should it decide to implement further major new projects.

The SRP also includes provision for proceeds from potential land sales. These proceeds will be quarantined for future use toward development of new capital projects.





Addressing the challenges *continued*

Infrastructure Strategy

Asset Renewal

The renewal gap is the gap (shortfall in funding) between existing renewal expenditure and recommended expenditure that is required to maintain assets in a condition capable of providing levels of service set by Council in conjunction with community expectations. These assets include but are not limited to roads, bridges, footpaths, kerb and channel, buildings and stormwater drainage.

A fundamental benefit of undertaking the process of renewal gap evaluation is the analysis of projected funding allocation versus required expenditure for long term financial planning. Projected funding is based upon existing funding allocations for asset renewal and that proposed in future years. Required expenditure is calculated on the condition of the asset and its expected lifecycle determined by

Engineering and the level of service the asset is to provide, which is determined by Council and influenced by community consultation. This may not equate to the depreciation figure used in Council's accounts in any year, given peaks and troughs in the renewal cycle, but a general rule of thumb is that on average renewal approximates depreciation.

In February 2017, a report was presented to Council which included long term (10 year) financial modelling containing Council's asset renewal estimates, forecast income and expenditure and unrestricted cash levels. The report indicated that, on average over the next 4 years, Council is unable to fund its required asset renewal by an average of \$700,000 per annum and this gap will continue to grow beyond 2020-21, if left unaddressed. The accuracy of this prediction diminishes as the time of the projection increases however, and ongoing work to improve the accuracy of the modelling will be required. Council will seek State Government funding to assist in proving the current renewal estimates.

The SRP seeks to address the \$700,000 gap through a combination of cost efficiencies and service reduction. Further Community consultation will be undertaken over the next 12 months to assess further service reductions or the potential for Council to apply to the Minister for a variation to the mandated rate cap.

Addressing the challenges *continued*

Capital Works Program

As a general principle Council will:

- Reduce the renewal gap in roads, bridges, buildings and other assets.
- Complete building renewal as funding becomes available.
- Maintain the current annual expenditure for the reseal and resheet programs in accordance with renewal gap analysis.
- Implement the Four Year Capital plan as created and modified as new projects are identified.

Operating surpluses are forecast each year until 2020-21 as a result of significant capital grant revenue being received to fund the capital works program.

Capital expenditure over the four year period of this Plan will be \$31 million.

Information Technology Strategy

Council will continually review its Corporate Information System which affects Finance and Property, Payroll, Human Resources, Planning Environmental Health, Asset Management and other systems. This is to ensure that these processes are efficient, cost effective and aid service delivery.

The 2017-18 budget provides for software implementation of a planning system to assist with the effective and efficient provision of development services. An internal review of Council's entire information systems network will be undertaken during 2017-18, with the results to be incorporated in future year's budgets, with the objective to ensure services are cost effective and show continuous improvement.



Addressing the challenges *continued*

Human Resources

EFT will decrease slightly in 2017-18 due to:

- Tourism and Economic Development Manager position (currently vacant) not being filled
- School crossing supervisors no longer being funded by Council
- Increase in Compliance Officer role to full time

Statement of Human Resources Expenditure for the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual 2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Staff expenditure					
Employee costs - operating	8,172	8,586	8,727	8,901	9,079
Employee costs - capital	-	-	-	-	-
Total staff expenditure	8,172	8,586	8,727	8,901	9,079
Staff numbers	EFT	EFT	EFT	EFT	EFT
Fully funded externally	8.6	7.3	7.3	7.3	7.3
Council funded	88.8	89.0	89.0	89.0	89.0
Total staff numbers	97.4	96.3	96.3	96.3	96.3

Cash / Liquidity



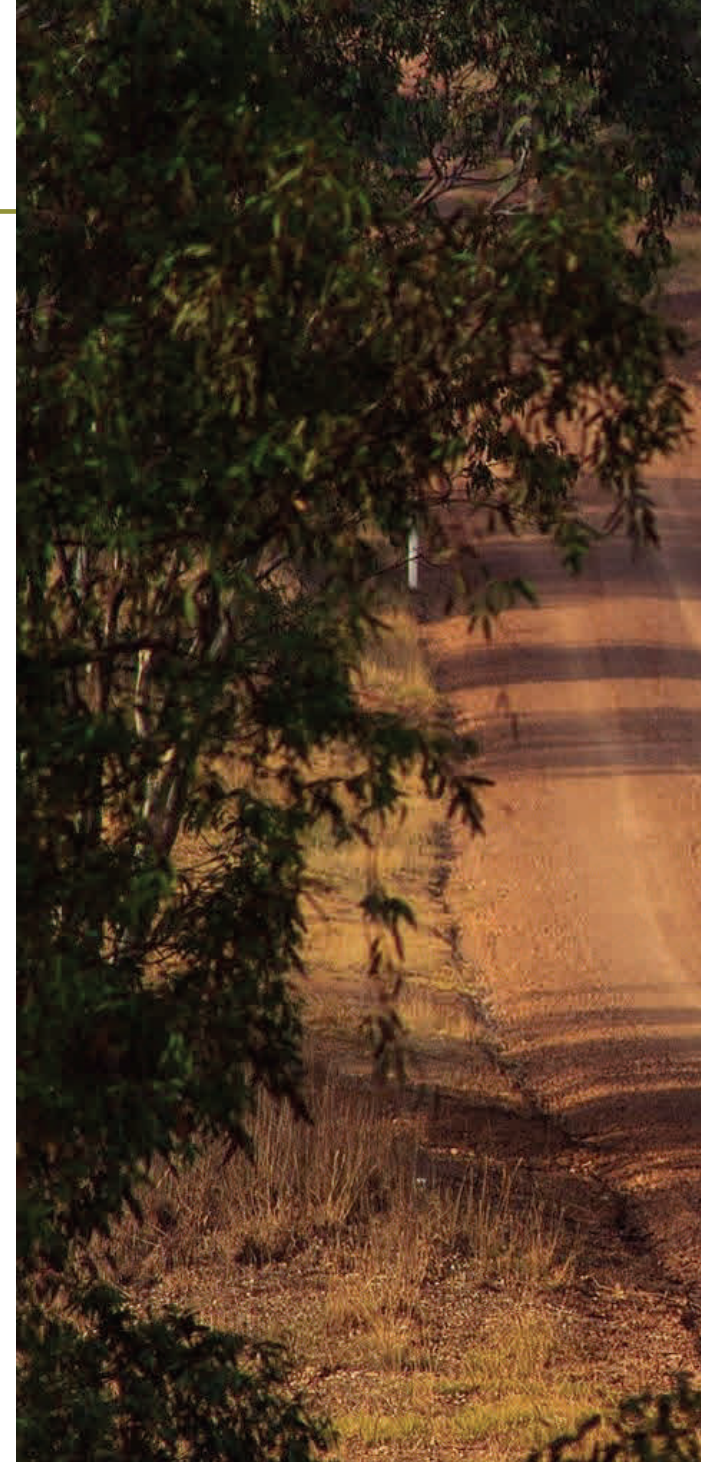
Targets / Project Outcomes

The key objectives, which underpin the four (4) year Strategic Resource Plan, are:

- Focus on maintaining or evaluating service delivery for core services
- Average Rates revenue increases at 2.0% (excluding supplementaries) for the term of the Plan
- Progressive improvement to Council's underlying operating result
- Prudent debt management that ensures cash flows for future capital works, but borrowings/ratios within State requirements
- Maintain a stable cash flow and stable net cash position
- Maximising capital expenditure in line with the Council Plan
- Focus on infrastructure renewal and increased funding for capital projects
- Improve asset management processes
- Conduct service reviews to improve efficiencies / reduce costs

These objectives are reflected in the following tables:

- Comprehensive Statement (for the four years ending 30 June 2021)
- Balance Sheet (for the four years ending 30 June 2021)
- Statement of Changes in Equity (for the four years ending 30 June 2021)
- Statement of Cash Flows (for the four years ending 30 June 2021)
- Statement of Capital Works (for the four years ending 30 June 2021)
- Statement of Human Resource (for the four years ending 30 June 2021)



Targets / Project Outcomes *continued*

Comprehensive Income Statement for the four years ending 30 June 2021

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Income				
Rates and charges	12,986	13,371	13,619	13,888
Statutory fees and fines	261	264	266	269
User fees	618	628	650	647
Grants - Operating	4,249	4,282	4,197	4,363
Grants - Capital	1,036	3,266	2,844	2,424
Contributions - monetary	94	1,102	827	779
Contributions - non-monetary	-	-	-	-
Net gain (loss) on disposal of property, infrastructure, plant and equipment	256	-	-	-
Share of net profits(losses) of associates and joint ventures	-	-	-	-
Other income	233	296	311	336
Total income	19,733	23,209	22,714	22,706
Expenses				
Employee costs	8,586	8,727	8,901	9,079
Materials and services	6,301	6,026	6,667	6,393
Bad and doubtful debts	-	-	-	-
Depreciation and amortisation	3,200	3,609	3,800	3,960
Borrowing costs	191	175	160	151
Other expenses	299	299	299	299
Total expenses	18,577	18,836	19,827	19,882
Surplus (deficit) for the year	1,156	4,373	2,887	2,824
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 ventures	-	-	-	-
Total comprehensive result	1,156	4,373	2,887	2,824

Targets / Project Outcomes *continued*

Balance Sheet for the four years ending 30 June 2021

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Assets				
Current assets				
Cash and cash equivalents	7,253	5,356	3,070	2,160
Trade and other receivables	1,097	1,097	1,091	1,097
Other financial assets	216	216	216	216
Other assets	66	66	66	66
Total current assets	8,632	6,735	4,443	3,539
Non-current assets				
Trade and other receivables	103	32	18	11
Property, infrastructure, plant & equipment	110,802	116,913	121,959	125,536
Total non-current assets	110,905	116,945	121,977	125,547
Total assets	119,537	123,680	126,420	129,086
Liabilities				
Current liabilities				
Trade and other payables	906	906	906	906
Trust funds and deposits	651	651	651	651
Provisions	1,512	1,551	1,583	1,613
Interest-bearing loans and borrowings	265	173	183	193
Total current liabilities	3,334	3,281	3,323	3,363
Non-current liabilities				
Provisions	326	322	316	311
Interest-bearing loans and borrowings	2,286	2,113	1,930	1,737
Total non-current liabilities	2,612	2,435	2,246	2,048
Total liabilities	5,946	5,716	5,569	5,411
Net assets	113,591	117,964	120,851	123,675
Equity				
Accumulated surplus	43,218	47,591	50,478	53,302
Reserves	70,373	70,373	70,373	70,373
Total equity	113,591	117,964	120,851	123,675



Targets / Project Outcomes *continued*



Statement of Changes in Equity for the four years ending 30 June 2021

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2018				
Balance at beginning of the financial year	112,435	42,062	70,156	217
Surplus(deficit) for the year	1,156	1,156	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Transfer to other reserves	-	-	-	-
Transfer from other reserves	-	-	-	-
Balance at end of the financial year	113,591	43,218	70,156	217
2019				
Balance at beginning of the financial year	113,591	43,218	70,156	217
Surplus (deficit) for the year	4,373	4,373	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Transfer to other reserves	-	-	-	-
Transfer from other reserves	-	-	-	-
Balance at end of the financial year	117,964	47,591	70,156	217
2020				
Balance at beginning of the financial year	117,964	47,591	70,156	217
Surplus (deficit) for the year	2,887	2,887	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Transfer to other reserves	-	-	-	-
Transfer from other reserves	-	-	-	-
Balance at end of the financial year	120,851	50,478	70,156	217
2021				
Balance at beginning of the financial year	120,851	50,478	70,156	217
Surplus (deficit) for the year	2,824	2,824	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Transfer to other reserves	-	-	-	-
Transfer from other reserves	-	-	-	-
Balance at end of the financial year	123,675	53,302	70,156	217

Targets / Project Outcomes *continued*

Statement of Cash Flows for the four years ending 30 June 2021

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities				
Rates and charges	12,977	13,443	13,639	13,888
Statutory fees and fines	261	264	266	269
User fees	629	639	661	658
Grants - operating	4,238	4,271	4,186	4,352
Grants - capital	1,036	3,266	2,844	2,424
Contributions - monetary	94	1,102	827	779
Other receipts	232	296	311	336
Employee costs	(8,514)	(8,684)	(8,865)	(9,042)
Materials and services	(6,340)	(6,036)	(6,677)	(6,403)
Other payments	(299)	(299)	(300)	(299)
Net cash provided by (used in) operating activities	4,314	8,262	6,892	6,962
Cash flows from investing activities				
Payments for property, infrastructure, plant and equipment	(5,021)	(9,749)	(8,875)	(7,568)
Proceeds from sale of property, infrastructure, plant and equipment	2,606	30	30	30
Net cash provided by (used in) investing activities	(2,415)	(9,719)	(8,845)	(7,538)
Cash flows from financing activities				
Finance costs	(191)	(175)	(160)	(151)
Repayment of borrowings	(397)	(265)	(173)	(183)
Net cash provided by (used in) financing activities	(588)	(440)	(333)	(334)
Net increase (decrease) in cash & cash equivalents	1,311	(1,897)	(2,286)	(910)
Cash and cash equivalents at the beginning of the financial year	5,942	7,253	5,356	3,070
Cash and cash equivalents at the end of the financial year	7,253	5,356	3,070	2,160



Targets / Project Outcomes *continued*

Statement of Capital Works for the four years ending 30 June 2021

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Property				
Land	45	-	-	-
Buildings	300	639	240	150
Total property	345	639	240	150
Plant and equipment				
Plant, machinery and equipment	617	422	307	306
Fixtures, fittings and furniture	15	19	15	15
Computers and telecommunications	178	400	360	105
Total plant and equipment	810	841	682	426
Infrastructure				
Roads	2,483	5,503	5,409	4,440
Bridges and culverts	674	470	-	1,050
Footpaths and cycleways	146	1,319	1,193	194
Drainage	62	150	150	500
Recreational, leisure and community facilities	497	-	320	-
Parks, open space and streetscapes	4	419	881	808
Other infrastructure	-	409	-	-
Total infrastructure	3,866	8,270	7,953	6,992
Total capital works expenditure	5,021	9,750	8,875	7,568
Represented by:				
New asset expenditure	874	2,851	1,836	693
Asset renewal expenditure	3,108	3,373	3,003	3,816
Asset upgrade expenditure	1,039	3,526	4,036	3,059
Total capital works expenditure	5,021	9,750	8,875	7,568



Targets / Project Outcomes *continued*

Capital Works Program for the year ending 30 June 2018

**capital grants to be confirmed*

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants* \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Land	45	45	-	-	-	-	-	45	-
Land Improvements	-	-	-	-	-	-	-	-	-
Buildings	300	60	240	-	-	40	10	250	-
TOTAL PROPERTY	345	105	240	-	-	40	10	295	-
PLANT AND EQUIPMENT									
Plant, Machinery and Equipment	617	-	617	-	-	-	106	511	-
Fixtures, Fittings and Furniture	15	15	-	-	-	-	-	15	-
Computers and Tele-communications	178	173	5	-	-	-	-	178	-
TOTAL PLANT AND EQUIPMENT	810	188	622	-	-	-	106	704	-
INFRASTRUCTURE									
Roads	2,483	-	1,868	615	-	733	-	1,750	-
Bridges & Culverts	674	-	250	424	-	125	-	549	-
Footpaths and Cycleways	146	80	66	-	-	-	40	106	-
Drainage	62	-	62	-	-	-	-	62	-
Recreational, Leisure and Community Facilities	497	497	-	-	-	138	-	359	-
Parks, Open Space and Streetscapes	4	4	-	-	-	-	-	4	-
TOTAL INFRASTRUCTURE	3,866	581	2,246	1,039	-	996	40	2,830	-
TOTAL CAPITAL WORKS EXPENDITURE	5,021	874	3,108	1,039	-	1,036	156	3,829	-

Targets / Project Outcomes *continued*

Capital Works Program for the year ending 30 June 2019

**capital grants to be confirmed*

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants* \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Land	-	-	-	-	-	-	-	-	-
Land Improvements	9	-	9	-	-	-	-	9	-
Buildings	649	191	305	152	-	150	13	485	-
TOTAL PROPERTY	657	191	314	152	-	150	13	494	-
PLANT AND EQUIPMENT									
Plant, Machinery and Equipment	422	-	422	-	-	-	-	422	-
Fixtures, Fittings and Furniture	19	19	-	-	-	-	-	19	-
Computers and Tele-communications	400	349	35	16	-	-	-	400	-
TOTAL PLANT AND EQUIPMENT	841	368	457	16	-	-	-	841	-
INFRASTRUCTURE									
Roads	5,429	-	2,291	3,138	-	1321	960	3148	-
Bridges & Culverts	620	320	150	150	-	450	10	160	-
Footpaths and Cycleways	1,569	1,482	67	20	-	1,025	25	519	-
Drainage	64	-	64	-	-	-	-	64	-
Recreational, Leisure and Community Facilities	-	-	-	-	-	-	-	-	-
Parks, Open Space and Streetscapes	570	490	30	50	-	320	50	200	-
TOTAL INFRASTRUCTURE	8,252	2,292	2,602	3,358	-	3,116	1,045	4,091	-
TOTAL CAPITAL WORKS EXPENDITURE	9,750	2,851	3,373	3,526	-	3,266	1,058	5,427	-

Targets / Project Outcomes *continued*

Capital Works Program for the year ending 30 June 2020

**capital grants to be confirmed*

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants* \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Land	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	-	-	-	-	-
Buildings	250	10	240	-	-	70	-	180	-
TOTAL PROPERTY	250	10	240	-	-	70	-	180	-
PLANT AND EQUIPMENT									
Plant, Machinery and Equipment	307	-	307	-	-	-	-	307	-
Fixtures, Fittings and Furniture	-	15	-	-	-	-	-	15	-
Computers and Tele-communications	360	325	35	-	-	-	-	360	-
TOTAL PLANT AND EQUIPMENT	682	340	342	-	-	-	-	682	-
INFRASTRUCTURE									
Roads	5,333	-	1,518	3,815	-	1,229	733	3,371	-
Bridges & Culverts	150	-	-	150	-	75	-	75	-
Footpaths and Cycleways	1,193	1,105	68	20	-	750	30	413	-
Drainage	66	-	66	-	-	-	-	66	-
Recreational, Leisure and Community Facilities	320	320	-	-	-	200	20	100	-
Parks, Open Space and Streetscapes	881	61	770	50	-	520	-	361	-
TOTAL INFRASTRUCTURE	7,943	1,486	2,422	4,035	-	2,774	783	4,386	-
TOTAL CAPITAL WORKS EXPENDITURE	8,875	1,836	3,004	4,035	-	2,844	783	5,248	-

Targets / Project Outcomes *continued*

Capital Works Program for the year ending 30 June 2021

**capital grants to be confirmed*

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants* \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Land	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	-	-	-	-	-
Buildings	160	10	150	-	-	-	-	160	-
TOTAL PROPERTY	160	10	150	-	-	-	-	160	-
PLANT AND EQUIPMENT									
Plant, Machinery and Equipment	306	-	306	-	-	-	-	306	-
Fixtures, Fittings and Furniture	15	15	-	-	-	-	-	15	-
Computers and Tele-communications	105	105	-	-	-	-	-	105	-
TOTAL PLANT AND EQUIPMENT	426	120	306	-	-	-	-	426	-
INFRASTRUCTURE									
Roads	4,362	-	1,873	2,489	-	1,179	655	2,528	-
Bridges & Culverts	1,550	-	1,050	500	-	775	-	775	-
Footpaths and Cycleways	194	105	69	20	-	-	30	164	-
Drainage	68	-	68	-	-	-	-	68	-
Recreational, Leisure and Community Facilities	-	-	-	-	-	-	-	-	-
Parks, Open Space and Streetscapes	808	458	300	50	-	470	50	288	-
TOTAL INFRASTRUCTURE	6,982	563	3,360	3,059	-	2,424	735	3,823	-
TOTAL CAPITAL WORKS EXPENDITURE	7,568	693	3,816	3,059	-	2,424	735	4,409	-

Other information

Summary of Planned Human Resources Expenditure for the year ending 30 June 2021

Operating and Capital	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Executive Services				
Permanent - full time	525	534	542	551
Permanent - part time	-	-	-	-
<i>Total Executive Services</i>	<u>525</u>	<u>534</u>	<u>543</u>	<u>552</u>
Community Services				
Permanent - full time	510	518	527	536
Permanent - part time	1,974	2,006	2,046	2,088
<i>Total Community Services</i>	<u>2,484</u>	<u>2,525</u>	<u>2,573</u>	<u>2,623</u>
Development Services				
Permanent - full time	1,080	1,098	1,116	1,134
Permanent - part time	285	289	295	301
<i>Total Development Services</i>	<u>1,365</u>	<u>1,387</u>	<u>1,411</u>	<u>1,435</u>
Engineering and Works				
Permanent - full time	2,534	2,576	2,618	2,662
Permanent - part time	190	194	197	201
<i>Total Engineering and Works</i>	<u>2,724</u>	<u>2,769</u>	<u>2,816</u>	<u>2,863</u>
Finance				
Permanent - full time	320	325	331	336
Permanent - part time	202	206	210	214
<i>Total Finance</i>	<u>522</u>	<u>531</u>	<u>540</u>	<u>550</u>
Corporate and Organisational Development				
Permanent - full time	485	493	501	509
Permanent - part time	442	450	459	468
<i>Total Corporate and Organisational Development</i>	<u>927</u>	<u>943</u>	<u>960</u>	<u>977</u>
Total staff expenditure	8,548	8,689	8,863	9,041

Operating and Capital	2017-18 EFT	2018-19 EFT	2019-20 EFT	2020-21 EFT
Executive Services				
Permanent - full time	4.0	4.0	4.0	4.0
Permanent - part time	-	-	-	-
<i>Total Executive Services</i>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Community Services				
Permanent - full time	5.0	5.0	5.0	5.0
Permanent - part time	23.3	23.3	23.3	23.3
<i>Total Community Services</i>	<u>28.3</u>	<u>28.3</u>	<u>28.3</u>	<u>28.3</u>
Development Services				
Permanent - full time	11.0	11.0	11.0	11.0
Permanent - part time	3.2	3.2	3.2	3.2
<i>Total Development Services</i>	<u>14.2</u>	<u>14.2</u>	<u>14.2</u>	<u>14.2</u>
Engineering and Works				
Permanent - full time	32.0	32.0	32.0	32.0
Permanent - part time	2.7	2.7	2.7	2.7
<i>Total Engineering and Works</i>	<u>34.7</u>	<u>34.7</u>	<u>34.7</u>	<u>34.7</u>
Finance				
Permanent - full time	3.0	3.0	3.0	3.0
Permanent - part time	3.2	3.2	3.2	3.2
<i>Total Finance</i>	<u>6.2</u>	<u>6.2</u>	<u>6.2</u>	<u>6.2</u>
Corporate and Organisational Development				
Permanent - full time	5.0	5.0	5.0	5.0
Permanent - part time	3.9	3.9	3.9	3.9
<i>Total Corporate and Organisational Development</i>	<u>8.9</u>	<u>8.9</u>	<u>8.9</u>	<u>8.9</u>
Total EFT staff	96.3	96.3	96.3	96.3

How you can contribute to your community

The Strategic Plan 2017-21 expresses Council's commitment to the community. Council however cannot achieve these aspirations alone – it needs your help! Listed below are just some of the ways each resident within the region can contribute to achieving these aspirations.

We look forward to everyone's participation and contributions as we strive to make Mansfield Shire the best place to live.

- Join a club. Our municipality has many sporting, recreation special interest and social clubs. This is a great way to connect with other people in the region who share your interests. Clubs are also a great avenue for advocating to Council on shared views.
- Volunteer at a Council-run facility or special event
- Ride your bike to work or car pool with others in your local area
- Walk your children to school
- Purchase products and services locally
- 'Go Green' – there are many ways to reduce your carbon footprint, reduce waste and save our precious resources
- Get active – take advantage of one of our open space areas or playgrounds
- Attend a community festival or major event
- Encourage a healthy lifestyle
- Take care on our roads
- Embrace our diverse community
- Visit your local library
- Employ locals
- Be ambassadors for the district – be welcoming to tourists and visitors
- Get to know your neighbours
- Value and respect our heritage
- Get involved in a local community project
- Be water wise

Comments for Council



Please provide us with any feedback you may have on our 2017-2021 Council Plan. Your thoughts and ideas regarding the future of Mansfield Shire are valued by Council in moving forward together as a community.

1. Please indicate the main reason you obtained a copy of this Council Plan.

- To be informed of Council activities
- As a reference source
- To support a grant application
- Other (please specify): _____

2. Did you find this Council Plan useful? (Please circle one)

1 2 3 4 5
Not at all Average Absolutely

3. What suggestions would you make to improve this Plan? _____

4. Do you live in Mansfield Shire?

- Yes No

5. My main interest in this Council Plan is as a:

- Student Resident Community organisation
- Business organisation Government organisation Other (please specify)

Please return this form to Mansfield Shire Council
council@mansfield.vic.gov.au or Private Bag 1000, Mansfield Vic 3722

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**MANSFIELD
SHIRE COUNCIL**

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Find us on Facebook

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www.facebook.com/NationalRelayService





7. PRESENTATION OF REPORTS CONT.

7.2 Consideration of Proposed Budget 2017-18

File Number: E4653
Responsible Officer: Finance Manager, Mandy Kynnersley

Disclosure of Conflicts of Interest

The author of this report has declared no conflict of interest in relation to this matter.

Introduction

Council officers have prepared a draft budget for the 2017-18 financial year.

The proposed draft budget, once endorsed by Council, must be made available for public exhibition for a period of 28 days during which submissions may be received for Council consideration prior to formal adoption in June.

Background

The proposed budget 2017-18 contains the necessary statutory information required under the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2004*.

It responds to the results of the Long Term Financial Plan, and seeks to achieve:

- Fully funded asset renewal
- Breakeven underlying result
- Breakeven or better cash result
- Increasing cash reserves above \$3 million
- Debt below prudential level of 60% of rates

Key indicators in the 2017-18 proposed budget are:

- Operating surplus \$1.2 million
- Underlying surplus \$0.5 million
- Cash inflow from operations of \$4.3 million
- Cash reserves of \$7.2 million (include \$2.5 million from proposed sale of assets)
- Debt at 20% of rates, and no new borrowings forecast in the medium term
- Asset renewal of \$3.1 million (compared to depreciation of \$3.2 million), new assets of \$0.9 million and asset upgrades of \$1 million (net cost to council of Capital Works after funding and contributions is \$3.8 million)

Statutory Requirements

Local Government Act 1989, Section 127, 129, 223
Local Government (Planning and Reporting) Regulations 2014



7.2 Consideration of Proposed Budget 2017-18 cont.

Council Plan

The proposed budget has been developed to allocate resources in order to achieve Council Plan objectives. Section 2 of the budget document presents revenue and expenditure in relation to services listed under each of the Council Plan objectives.

Financial

The 2017-18 budget is the primary financial planning document for the financial year and underpins all spending in the 2017-18 financial year.

Social

Social issues have been taken into account during the budget process. One of the most significant social impacts is the reduction of funding for the supervision of school crossings. Council officers have commenced lobbying to VicRoads for 100% funding from the State Government for this service.

Environmental

Environmental issues have been taken into account during the budget process.

Economic

Economic issues have been taken into account during the budget process and underpin many of the assumptions contained therein.

Risk Management

The proposed budget has been developed primarily to address financial risk, and the risk of asset failure. Council has identified a significant gap in the current capacity to fund the renewal of existing assets. The proposed 2017-18 budget seeks to rectify this, with the four year forecast aiming to build consistent operating surpluses to allow future infrastructure growth and development in the medium to long term.

Community Engagement

Council conducted an online survey around budgetary management and service delivery. Community budget consultation sessions were held during February and March in the townships of Tolmie, Jamieson, Bonnie Doon, Mansfield and Merrijig.

Council officers have also met with representatives of the Ovens Murray Regional Partnership, and the Victorian Farmers Federation in April. At each of these consultation sessions, the Long Term Financial Plan (LTFP) was presented. The LTFP outlines Council's current performance against key long term financial indicators, and the financial levers available to improve Council's financial sustainability.



7.2 Consideration of Proposed Budget 2017-18 cont.

Further consultation will take place upon public exhibition of the proposed Budget 2017-18, due to commence on 19 April for a period of not less than 28 days. It is proposed that public submissions received will be heard by Councillors at meeting scheduled for 30 May 2017.

Officer's Comments

The proposed 2017-18 budget has been developed in accordance with legislative and best practice requirements. It reflects the five objectives of the revised Council Plan and reports sound financial indicators as required by the Local Government (Planning and Reporting) Regulations 2014.

Cr. Sladdin/Cr. Olver:

That Council:

- 1. Receive the proposed draft Budget 2017-18.**
- 2. Give notice in the Mansfield Courier, on Council's website and social media page (Facebook) page that the proposed Budget 2017-18 is on public exhibition from 19 April to 19 May 2017, in accordance with section 125 3(A) of the *Local Government Act 1989* and that it is seeking written submissions, which can be supported by a verbal presentation to Council by the submitter or a representative acting on their behalf, as per the provisions of section 223 of the Act.**
- 3. Place a copy of the proposed Budget 2017-18 on exhibition:**
 - at Council's Office at 33 Highett Street, Mansfield and the Mansfield Library, Collopy Street, Mansfield**
 - on Council's website**
 - via a link provided on Council's social media (Facebook) page**
- 4. Set the meeting date for Council to hear verbal submissions and consider all written submissions from 2.00pm on 30 May 2017 in the Council Chamber at 33 Highett Street, Mansfield and that the details of this meeting be included in the notice of the public consultation period.**

Carried

End of Mansfield Shire Council Draft Budget Report



8. OTHER REPORTS

8.1 Such Other Business Admitted by the Unanimous Resolution of the Council

Nil

9. MEETING CLOSURE

There being no further business the meeting concluded at 4.30 pm

CONFIRMED this **sixteenth** day of **May** 2017.

Mayor