

**REPORT**  
**CM/7.1/20.06(3)**

**Subject:** Operational Plan 2020-21 including Budget, Pricing Policy, Fees and Charges 2020-21 and Long Term Financial Plan

**TRIM No:** A19/0364

**Author:** Teena Su, Executive Manager, Finance  
Sneha Sabu, Co-ordinator, Corporate Planning and Reporting

**Director:** Darren Smith, Chief Financial Officer

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**RECOMMENDATION:**

That Council:

1. Receives and notes the community and internal submissions made in relation to the Operational Plan 2020–21, Pricing Policy and Schedule of Fees, as set out in Attachment 1 of this report.
2. Adopts, in accordance with the *Local Government Act 1993*, the Operational Plan 2020–21, including the Budget and Statement of Revenue Policy, as set out in Attachment 2 and 4 of this report.
3. Adopts, in accordance with the *Local Government Act 1993*, the Pricing Policy, Fees and Charges 2020-21 as set out in Attachment 3 of this report.
4. Adopts, in accordance with sections 497, 516, 518, 529(2)(d), 534, 535 and 548(3) of the *Local Government Act*, the Rating Structure for 2020–21 contained on page 64 of the Operational Plan 2020–21 at Attachment 2. setting the following rates and charges for every parcel of rateable land within the Waverley local government area for the period from 1 July 2020 to 30 June 2021:
  - (a) That an ordinary rate of zero point one one three eight six seven cents (0.113867) in the dollar subject to a minimum rate in accordance with section 548(3) of the Act, per assessment on all rateable land categorised Residential in accordance with section 516 of the Act and sub categorised Ordinary in accordance with section 529(2)(b) of the Act
  - (b) That an ordinary rate of zero point four nine three six seven zero cents (0.493670) in the dollar on all rateable land categorised Business in accordance with section 518 of the Act and sub categorised Ordinary in accordance with section 529(2)(d) of the Act
  - (c) That an ordinary rate of zero point eight one five six three zero cents (0.815630) in the dollar on all rateable land categorised Business in accordance with section 518 of the Act and sub categorised Bondi Junction in accordance with section 529(2)(d) of the Act
5. Adopts, in accordance with section 496 of the *Local Government Act*, the Domestic Waste Management Service Charge set at \$576 per service per annum for the financial year 2020–21.
6. Adopts, in accordance with section 496A of the *Local Government Act*, the Stormwater Management Service Charge contained on page 67 of the draft Operational Plan 2020–21 for the financial year 2020–21 as tabled below:

<b>Stormwater Management Service Charge</b>		
Category	Unit	Fee or Charge
Residential property	per property	25.00
Residential strata property	per property	12.50
Business property	per 350 m2 (or part thereof)	25.00
Business strata property	per 350 m2 (or part thereof) levied equally to strata unit entitlement with a minimum of \$5	25.00

7. Receives and notes the Long Term Financial Plan (LTFP 5.2) for an 11-year period from 2020–21 to 2030–2031 including the Income Statement, Balance Sheet, Statement of Cash Flow, Reserve Balances, Assumptions and Sensitivity Analysis, as set in Attachment 5 to this report.
8. Confirms that:
  - (a) an internal transfer of up to \$6.44 million from the Property Investment Strategy Reserve to fund the 2020–21 expenditure program is provided for in the budget,
  - (b) based on updated revenue projections the intention is for a transfer of \$2.9 million, and
  - (c) that this transfer is intended to be repaid within LTFP period (from 2020–21 to 2030–2031).

## 1. Executive Summary

Council at its meeting on 19 May 2020 resolved to exhibit the draft Operational Plan 2020-21, including the Budget and Statement of Revenue Policy, Stormwater Management Service Charge, Pricing Policy-Fees & Charges 2020-21 for a period of 28 days. A total of 28 submissions were received on the Operational Plan and Pricing Policy-Fees & Charges, three of those relating to the Operational Plan and 25 relating the Pricing Policy-Fees & Charges. These submissions are set out in Attachment 1.

The 2020/21 Budget has been updated to reflect the latest information and assumptions arising from the COVID-19 pandemic and related restrictions, including Council's gradual restoration of services. This has seen some revision to financial forecasts and project budget provisions.

The 2020/21 budget projects a balanced budget, with a total revenue of \$148.1M, including a capital income of \$17.6M. Revenue is dependent of financial projects being accurate and these are susceptible to change with respect to COVID-19 related economic impacts. It projects a total expenditure budget (excluding depreciation) of \$174.6M, including capital works program of \$55.9M. The budget provides for the application of reserves funds of between \$26.9M and \$30.6M to fund the 2020/21 program, including an internal transfer of up to \$6.44M from Property Investment Strategy Reserve to bridge the funding shortfall caused by COVID-19 pandemic. Based on projections, it is anticipated that a transfer of \$2.9M only will be required.

The operating surplus before capital income and depreciation is projected to increase by \$4.2M to \$16.7M (from \$12.5M exhibited in the draft budget). The primary reason for this increase is additional revenue from on-street parking meters have been switched back on earlier than originally anticipated. This revenue stream is however subject to possible impacts and fluctuations from Pandemic related impacts.

The capital expenditure program has increased by \$4.9M to \$60.9M due to capital works program amendments and budget rollovers approved in the March 2020 quarterly budget review.

## 2. Introduction/Background

The Integrated Planning and Reporting (IP&R) Framework consists of an inter-related hierarchy of plans which aim to ensure a more sustainable local government sector. Waverley Council has in place a hierarchy of integrated plans consisting of a Community Strategic Plan (*Waverley Community Strategic Plan 2018-2029*), a Delivery Program (*Delivery Program 2018-21*) and an Operational Plan.

Every year the Council is required to develop an Operational Plan (which is a sub-plan of the Delivery Program) setting out the specific activities (services and projects) it will undertake in that year. The Council is also required to prepare an annual budget and update its Long-Term Financial Plan.

The *Operational Plan 2020-21* sets out the key activities (deliverables), actions, budgets and performance measures Waverley Council will employ during the 2020–21 financial year. The Operational Plan includes Stormwater Management Service charge and the Statement of Revenue Policy which sets out Council's rating policy. Accompanying this plan is the Pricing Policy and Schedule of Fees and Charges 2020–21 which sets out the fees and charges Council is proposing to levy over the coming financial year.



Figure 1. Integrated planning and reporting framework.

In May, Council approved the draft Operational Plan 2020-21 including the Budget, Statement of Revenue Policy, Stormwater Management Service charge, Pricing Policy and Schedule of Fees and Charges 2020–21 and Long-Term Financial Plan 5.2 (2020-2031) for the purpose of public exhibition for 28 days.

## 3. Relevant Council Resolutions

Meeting and date	Minute No.	Decision
Council 19 May 2020	CM/7.1/20.05(2)	That Council:  1. Adopts the draft Operational Plan 2020-21, including

		<p>the Budget and Statement of Revenue Policy, at Attachment 1 and resolves to publicly exhibit the plan for 28 days in accordance with the <i>Local Government Act 1993</i>.</p> <p>2. Adopts the draft Pricing Policy, Fees and Charges 2020-21, including deferral of non-legislative fee increase to 1 January 2021, with the exception of Domestic Waste Charges, Cemeteries fees and new fees as detailed in this report and at Attachment 2 and resolves to publicly exhibit the draft Pricing Policy, Fees and Charges 2020-21 for 28 days in accordance with the Local Government Act 1993.</p> <p>3. Adopts and resolves to publicly exhibit the Rating Structure for 2020–21 contained on page 64 of the draft Operational Plan 2020–21 at Attachment 1 together with the proposed Pricing Policy and Schedule of Fees and Charges 2020–21 at Attachment 2. In accordance with sections 497, 516, 518, 529 (2)(d), 534, 535 and 548(3) of the Local Government Act, the following rates and charges is set for every parcel of rateable land within the Waverley local government area for the period from 1 July 2020 to 30 June 2021:</p> <p>(a) That an ordinary rate of zero point one one three eight six seven cents (0.113867) in the dollar subject to a minimum rate in accordance with section 548(3) of the Act, per assessment on all rateable land categorised Residential in accordance with section 516 of the Act and sub categorised Ordinary in accordance with section 529(2)(b) of the Act</p> <p>(b) That an ordinary rate of zero point four nine three six seven zero cents (0.493670) in the dollar on all rateable land categorised Business in accordance with section 518 of the Act and sub categorised Ordinary in accordance with section 529 (2)(d) of the Act</p> <p>(c) That an ordinary rate of zero point eight one five six three zero cents (0.815630) in the dollar on all rateable land categorised Business in accordance with section 518 of the Act and sub categorised Bondi Junction in accordance with section 529(2)(d) of the Act</p> <p>4. Adopts and resolves to publicly exhibit the Domestic Waste Management Service Charge set at \$576 per service per annum for the financial year 2020-21 in accordance with section 496 of the Local Government Act</p> <p>5. Adopts and resolves to publicly exhibit the Stormwater Management Service Charge contained on page 67 of the draft Operational Plan 2020–21 in accordance with section 496A of the <i>Local Government Act</i> for the financial year 2020- 21 as tabled below:</p> <div style="border: 1px solid black; padding: 2px; text-align: center;"> <b>Stormwater Management Service Charge</b> </div>
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			<table><tr><td>Category</td><td>Unit</td><td>Fee or Charge</td></tr><tr><td>Residential property</td><td>per property</td><td>25.00</td></tr><tr><td>Residential strata property</td><td>per property</td><td>12.50</td></tr><tr><td>Business property</td><td>per 350 m2 (or part thereof)</td><td>25.00</td></tr><tr><td>Business strata property</td><td>per 350 m2 (or part thereof) levied equally to strata unit entitlement with a minimum of \$5</td><td>25.00</td></tr></table>	Category	Unit	Fee or Charge	Residential property	per property	25.00	Residential strata property	per property	12.50	Business property	per 350 m2 (or part thereof)	25.00	Business strata property	per 350 m2 (or part thereof) levied equally to strata unit entitlement with a minimum of \$5	25.00
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			<p>6. Resolves:</p> <p>(a) To maintain the current restriction on the Property Strategy Reserve and undertakes an extraordinary transfer of an amount of \$6.44 million from the Property Strategy Reserve for application to meet Council’s capital funding requirements as set out in the Draft 2020/2021 Operational Plan and Budget.</p> <p>(b) To commit to return this transfer during the current 2020-2031 Long Term Financial Plan (LTFP).</p> <p>(c) That a report be prepared for Council’s consideration outlining how this will be done.</p> <p>7. Notes that the 2020-21 Draft Budget and the Long Term Financial Plan (LTFP 5.2) and the 2020-21 Draft Operational Plan have been prepared to the extent possible in line with the objectives contained in the Community Strategic Plan (CSP), the Financial Sustainability performance objective set for the organisation by Council, and the Integrated Planning and Reporting requirements within the Local Government Act 1993 (including the requirement to run a ‘balanced budget’) but that preparation of the 2020-21 Draft Budget and the Long Term Financial Plan (LTFP 5.2) and the 2020- 21 Draft Operational Plan has been significantly affected by the impacts on Council and the community from the COVID-19 pandemic.</p> <p>8. Further notes that the COVID-19 pandemic has introduced significant uncertainty into Council’s program and financial planning, particularly with respect to own source Council revenues, and that</p>															

		<p>Council will need to closely monitor and manage programs and financial performance during 2020-21 via quarterly financial reviews.</p> <p>9. Notes that the LTFP will be amended annually as more accurate information comes to hand and program, income and expenditure forecasts become more accurate and that Council will consider and utilise a range of options for achieving balanced budgets over the life of LTFP 5.2 likely including realising efficiencies and cost reductions within Council operations, applying reserve funds earlier than forecast in LTFP 5, reducing or rescheduling the capital expenditure program and increasing revenue to fund specific programs and initiatives.</p> <p>10. Authorises the General Manager to make any necessary editorial and content changes to the Operational Plan, draft 2020-21 Budget and LTFP documentation for public exhibition in order to give effect to Council resolutions.</p>
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#### 4. Discussion

##### Operational Plan (Attachment 2)

In accordance with section 406 of the *Local Government Act*, the Office of Local Government (OLG) has published Guidelines and a Manual to support the administration of integrated planning and reporting. The *Community Strategic Plan Waverley Community Strategic Plan 2018-2029*, the *Delivery Program 2018–2021* and the *Operational Plan 2020–21* were developed in accordance with the OLG Guidelines and Manual.

The OLG suggests that the Operational Plan be defined as a sub plan of the Delivery Program that spells out the ‘actions’ to be undertaken in a particular year. The IPR manual also requires that actions identified in the Delivery Program be carried through to the Operational Plan. Waverley Council’s Operational Plan 2020–21; carries forward the ‘deliverables’ from the Delivery Program and includes the action required to ‘deliver’ on what we said we would.

The Operational Plan is also required to include a budget for the year and Statement of Revenue Policy. This includes rating information and the proposed Pricing Policy and Schedule of Fees and Charges 2020–21, which are based on the budget prepared for Council.

Preparation of Council’s Operational Plan, work program and Budget for 2020-21 was well advanced when the Covid-19 pandemic and related government restrictions began to impact on the Waverley Community and Council in March 2020. The pandemic and the related restrictions had a significant impact on community behaviour, business activity and Council services and revenues. This meant the need for significant revision of the Budget and work program, with impacts on the Operational Plan.

The public exhibition of these documents commenced on 21 May 2020 and concluded on 17 June 2020. A Public Notice was placed on the Council website with electronic versions of the documents available in the ‘Have your Say’ section of the website including links from the Integrated Planning and Reporting section of the website. Email notifications were sent to precincts and other community groups informing them about the public exhibition. Additionally, there were two rounds of Twitter and Facebook updates advising the

public exhibition. Implications of community, administrative and budget submissions received are marked up in the Operational Plan and Pricing Policy, Fees and Charges.

One external submission was received on the Operational Plan. Officers reviewed this submission, and one change is proposed to the Capital Works section on page 72 of the Operational Plan in response to the submission received. Implications of administrative and budget submissions received are marked up in red in the Operational Plan (Attachment 2) and tabled in Attachment 1.

### **Pricing Policy – Fees and Charges Schedule (Attachment 3)**

25 submissions have been received (Attachment 1):

- One external submission requesting that there will be no increase to the fee for FY 2020/21, from a car share scheme operator.

The responsible staff member reviewed this submission, considered the operator's request and recommended that it not accept this request at this time.

- 24 internal submissions from council staff. These submissions can be categorised into six types:
  1. To incorporate two new legislative fees related to animals (cats and dogs).
  2. To remove the credit card surcharge on on-street parking meters and Car Park parking station. These changes have been reflected in the attached Pricing Policy-Fees and Charges 2020-21.
  3. A correction of fee for the Margaret Whitlam Recreation Centre Grandstand Booking Fee to be changed back to the 2019-20 level for the first 6 months. This is consistent with the Schedule recommendation.
  4. To provide improved transparency in the assessment process we have received a submission related to Security deposits for building application charges. The submission is that the building application charges be amended to a fixed 2% rate rather than 'Determined by assessment'.
  5. Provide some clarity on the COVID-19 Business Support Package operation is subjected to change as determines by Council.
  6. The remaining 18 internal submissions related to administrative changes to the document.

For further information, refer to attachment 1 for detail changes, and attachment 3 for the revised Pricing Policy – Fees & Charges 2020/21 document.

### **Budget 2020-21 (Attachment 4)**

All submissions received on the 2020/21 draft budget were from internal staff. These submissions are mainly in response to the changing context created by the COVID-19 pandemic and the relaxation of restrictions. Some submissions seek to address administrative errors through the initial budget preparation process.

The most recent budget update projects operating income of \$130.4M, operating expenditure before depreciation of \$113.7M for an operating result of \$16.7M. It also projects capital income of \$17.6M and capital expenses of \$60.9M (capital works program at \$55.9M and other capital expense at \$4.9M). Overall, a net \$26.9M reserves fund applies to fund the 2020/21 program.

- \$5.8M (4.6%) increase in operating income compared to the draft budget. The main contributor is from the on-street parking meters and parking enforcement services. The earlier than expected return to service has these incomes being revised to deliver an additional \$5.3M.
- \$1.6M (1.4%) increase in operating expense compared to the draft budget. The main contributor is

- from the Material & Contracts spend which required an additional \$1.1M.
- \$5.5M (23.9%) decrease in capital income compared to the draft budget. The main contributor is due to the rephase of a property asset sale.
- \$4.9M (8.7%) increase in capital expense compared to the draft budget. The main contributors are from the increase in plant replacement program by \$1.5M and \$3.4M increase in capital works program.
- \$6.2M (29.8%) amendment in net reserve application to the 2020/21 program, including an internal transfer of \$2.9M from the Property Investment Strategy Reserve to fund the 2020/21 expenditure program. A Transfer of up to \$6.44M is provided for if necessary.

The table below provides a high-level comparison between the revised budget to the draft budget which was presented to the 19 May 2020 council meeting:

Budget Statement in summary - \$'000	2020/21 Budget	2020/21 Draft Budget	Variance \$	Variance %	Note
Operating Income	130,439	124,649	5,790	4.6%	a
Operating Expense	(113,747)	(112,194)	(1,554)	1.4%	b
<b>Operating Surplus</b>	16,692	12,456	4,236	34.0%	
Capital Income	17,650	23,183	(5,533)	-23.9%	c
Capital Expense	(60,863)	(55,966)	(4,897)	8.7%	d
<b>Net Capital Expense</b>	(43,213)	(32,784)	(10,430)	31.8%	
Loan Repayment - Principal	(435)	(435)		0%	
Net Reserves Transfer - From/(To)	26,957	20,763	6,194	29.8%	e
<b>Net Budget Result - Surplus/(Deficit)</b>	0	0	0	0.0%	

Refer to Attachment 4 for further detail.

### Summary of budget changes

#### Operating income

Operating income forecasted to increase by \$5.8M compared to the draft budget, primarily due to the following changes:

- On-street parking meters have been switched-on earlier than originally anticipated, it is positively impact on the meters parking fees and parking fines revenue by \$5.3M.
- A few events will be resumed in the 2020/21 budget as some of the COVID-19 restrictions are being lifted since May. Income associated from a few restored events projects to be around \$280K, as follows:
  - Bondi Festival
  - City to Surf
  - C2S Marquee Program
- Financial Assistance grant increase by \$168K based on the advanced payment advice for FY2020/21.
- Council Rates income increase by \$96k based on the fourth instalment property information.

#### Operating expense

Operating expense increase by \$1.6M compared to the draft budget including:

- Operation expenses associated with on-street parking meters and parking fines being operated for longer than expected \$445k.



- Events expense restored or corrected (admin errors) by \$299k in total including:
  - Festival of Winds.
  - Bondi Festival.
  - Festive Season Lighting and decorations.
- Budget errors in Lifeguard services budget corrected (\$150k).
- LED rollout accelerate project to be resumed in 2020/21 at \$200k.
- Restored the RID squad membership renewal budget at \$78k, it was an oversight in the draft budget.
- Governance policy project will be continued in the first quarter which requires \$33k be restored.
- Additional IT corporate systems integration project expenses \$37k.
- Various budget items removed in error at draft have been corrected (\$175k).

### Capital income

Capital Income has been revised down by \$5.5M, the main contributors to this change are:

- Section 7.12 contributions (formerly section 94 contributions) reduce by \$1M based on current trend and anticipating the construction market remaining weak in 2020/21.
- A property asset sale process has been rephased to 2021/22 in the LTFP, income reduction by \$6.5M in 2020/21 for reflect the revised transaction timeframe.
- Grants associated to capital works program increase by \$1.4M.
- Income associated to the plant replacement increase by \$535k due to the March Quarter carryovers to be completed in 2020/21. The associated replacement cost is detail in the next section.

### Capital expense

#### *Capital works program*

Grants income for the capital works program has increased by \$1.4M, these figures are adjusted based on the grant funding projections for capital works project changes.

Capital expenses increased by \$3.4M, with details in below table:

- \$250k reduction to the Bondi Junction Cycleway & Streetscape project to reflect the project expenditure profile in 2020-21. (project number 46 in Attachment 4).
- Tamarama Surf Club Upgrade project brought forward due to new information – likely to require \$3.25M in 2020-21. (project number 9 in Attachment 4).
- Marks Park Regrading project requires \$150k in 2020/21. (project number 24 in Attachment 4)
- OSH Pedestrian Crossing Upgrade project brought forward and requires \$277k in 2020-21. (project number 63 in Attachment 4).

The revised program expenditure increases to \$55.9M and its funding sources amended accordingly, as summarised in the following table:

Program Description	2020/21 expense \$'000	Grants/ Contributions \$'000	Reserves Fund \$'000	General Fund \$'000
Building Infrastructure	22,242	3,075	16,267	2,900
Living Infrastructure	1,098		296	802
Parking Infrastructure	600		600	
Public Domain Infrastructure	2,295		1,885	410
Recreational & Public Spaces Infrastructure	2,302		1,187	1,114
Road Infrastructure	27,338	9,727	13,335	4,276
Sustainability Infrastructure	59		59	
<b>Total</b>	<b>55,934</b>	<b>12,802</b>	<b>33,629</b>	<b>9,503</b>

#### *Other capital expense*

The Fleet replacement program has been amended to incorporate the rollovers of \$1.5M approved in the March 2020 quarterly budget review. This change is fully funded by the estimated revenue from the fleet assets disposal and fleet replacement reserve.

The total program expense totals \$3.1M, it is funded by \$972K sales revenue and \$2.1M from the plant replacement reserve.

This budget may require further amendment pending the completion of the Fleet Improvement Review. Any change will form part of the quarterly reviews.

#### Reserve

After the income and expense amendments being implemented as mentioned in above, it results a \$6.2M reduction in transfer to reserves. A net movement of reserves application to fund the 2020/21 program is estimated to be \$27.0M. The projected year-end reserves balance of \$125M for 30 June 2021.

In all, changes proposed and revenue forecast since May are likely to result in a \$3.7M improved position. If the revenue projects are realised, the requirement for an internal transfer from the Property Investment Strategy Reserve is likely to reduce to \$2.9M from its originally anticipated \$6.44M. However, the revenue increases forecast are subject to unknown economic conditions and pandemic impacts. In order to provide assurance for Council, provision is made in the budget for the proposed transfer to be authorised up to \$6.5M, noting that the projected figure is for a transfer of \$2.9M. This will be monitored at quarterly reviews throughout the year.

#### **Long-Term Financial Plan 5.2 (LTFP 5.2) (Attachment 5)**

There are two changes proposed to the LTFP forecast. These changes are related to assumptions and will enable a projected \$17.9M improvement to the Council's bottom line as follows:

- \$11.5M increase in revenue over the next 10-years as a result of future interest rate assumptions gradually increasing from 1.2% to 2.2% over the course of the planning period. Our original forecasts were very conservative.
- Employment cost saving of \$6.4M over the next 10-years due to initial Employee Award increases being reduced through the Award negotiations to 2% for FY2021/21 and FY2022/23 from the original 2.5% assumption.

Other changes to the LTFP 5.2 Forecasts reflect the 2020/21 budget amendments mentioned in section 3 of this report.

After all the changes, the LTFP 5.2 forecasts with an improved position over the next 11-years in both the Income Statement and Balance Sheet, as shown in the following tables (figures are in \$'000):

Description	LTFP 5.2 20-21, May 2020	LTFP 5.2 20-21, Jun 2020	Difference	LTFP 5.2 May 2020	LTFP 5.2 Jun 2020	Difference May - Jun 2020
Net Result	0	(0)	(0)	166	166	(0)
Income	146,716	146,972	257	1,821,887	1,836,904	15,017
Expense	(114,537)	(117,560)	(3,023)	(1,499,621)	(1,498,298)	1,323
Capital Works	(52,507)	(55,934)	(3,427)	(373,823)	(381,599)	(7,775)
Total Expenses	(167,044)	(173,494)	(6,450)	(1,873,444)	(1,879,897)	(6,453)
Loan Principle Payment	(435)	(435)	0	(2,923)	(2,923)	0
Reserve	20,763	26,957	6,194	54,645	46,082	(8,564)

Description	LTFP 5.2 May 2020	LTFP 5.2 Jun 2020	Difference
NET ASSETS	1,358,965	1,373,856	14,891
Total Cash & Investment Securities	107,647	115,820	8,173
Reserve Balance	105,157	106,031	875

#### Property Investment Strategy Reserve Internal Transfer Repayment Schedule in the LTFP 5.2

Based on revised 2020/21 budget projections and funding needs, that we have programmed a transfer of \$2,877,102 from the Properties Strategic Reserve to fund the 2020/21 Program as mentioned earlier in section 3 of this report. A transfer of up to \$6.44M is provided for but amounts over \$2.9 will only be called upon if revenue projections are inaccurate and after consideration at quarterly reviews.

We are proposing to apply the anticipated salaries/wages cost saving (see above assumption) to repay the now projected transfer of \$2,877,102 over a period of 6 years with our proposed schedule being as follows:

- \$285,772 at FY2021/22.
- \$591,239 at FY2022/23.
- \$615,217 at FY2023/24.
- \$640,179 at FY2024/25.
- \$589,285 at FY2025/26.
- \$79,314 at FY2026/27.

Note, the actual requirement of the internal transfer from the Property Investment Strategy Reserve may vary and depend on the actual 2020/21 budget performance under the COVID-19 environment, in particular the accuracy of revenue projections. It will be monitored in the quarterly reviews and year-end reporting.

## **5. Financial impact statement/Time frame/Consultation**

The key deliverables, projects and activities in the Operational Plan 2020–21 are costed in the Budget 2020–21 and Long Term Financial Plan (LTFP) 5.2.

Council is forecasting a balanced budget in 2020-21 and that it will run budget surpluses through the period until 2030-31.

The draft Operational Plan 2020-21 including the budget, Statement of Revenue Policy, proposed Pricing Policy and Schedule of Fees and Charges 2020–21 and Long Term Financial Plan 5.2 (2021-2031) were placed on public exhibition from 21 May 2020 to 17 June 2020 for a period of 28 days, as per statutory requirement. The submissions received from the community members were considered by Council staff and an amendment is proposed to Operational Plan. Internal submissions received are marked up in red in the document. The detailed community and administrative submissions are tabled in Attachment 1.

## **6. Conclusion**

This report is seeking Council to adopt the draft Operational Plan 2020-21 including the budget, Statement of Revenue Policy, proposed Pricing Policy and Schedule of Fees and Charges 2020–21, and note the Long Term Financial Plan 5.2 (2021-2031), as required under the Integrated Planning and Reporting framework. Council has considered submissions received during the public exhibition period 21 May 2020 to 17 June 2020.

## **7. Attachments**

1. Submissions received on Operational Plan and Pricing Policy-Fees & Charges 2020-21 (under separate cover) [⇒](#)
2. Operational Plan 2020-21 (under separate cover) [⇒](#)
3. Pricing Policy Fees and Charges 2020-21 (under separate cover) [⇒](#)
4. 2020-21 Budget Statement by Directorates and Capital Works Program (under separate cover) [⇒](#)
5. Long Term Financial Plan (under separate cover)