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**2021/22 Draft Annual Business Plan &
LTFP – Update
Council DIG – 18 May 2021**



Overview



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- What has been updated?
- What are the financial impacts?
- What is still to be confirmed..
- FTE cap
- Sensitivity / Risk modelling
- Next steps

Updated *Draft* Plan – 2021/22

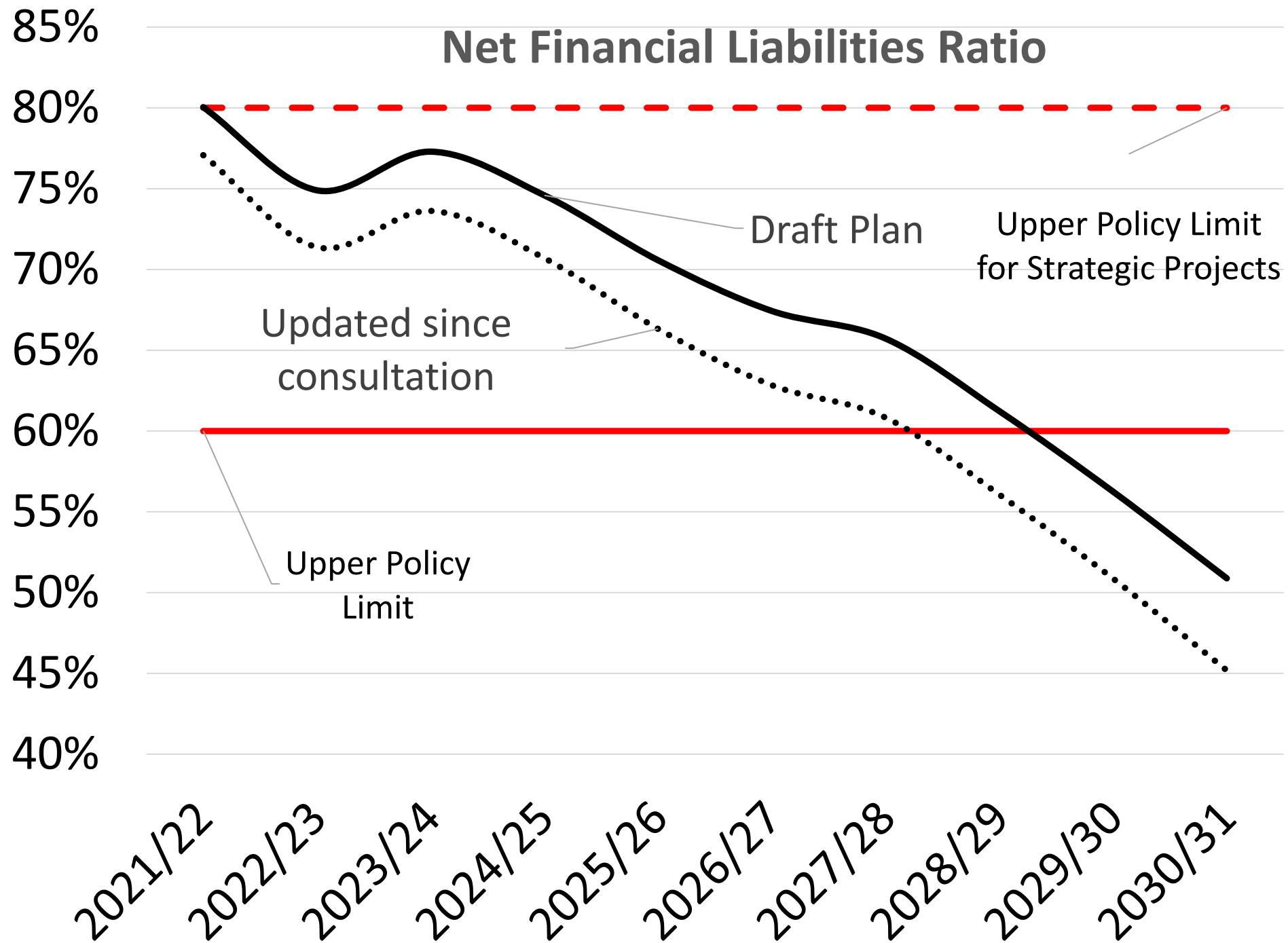


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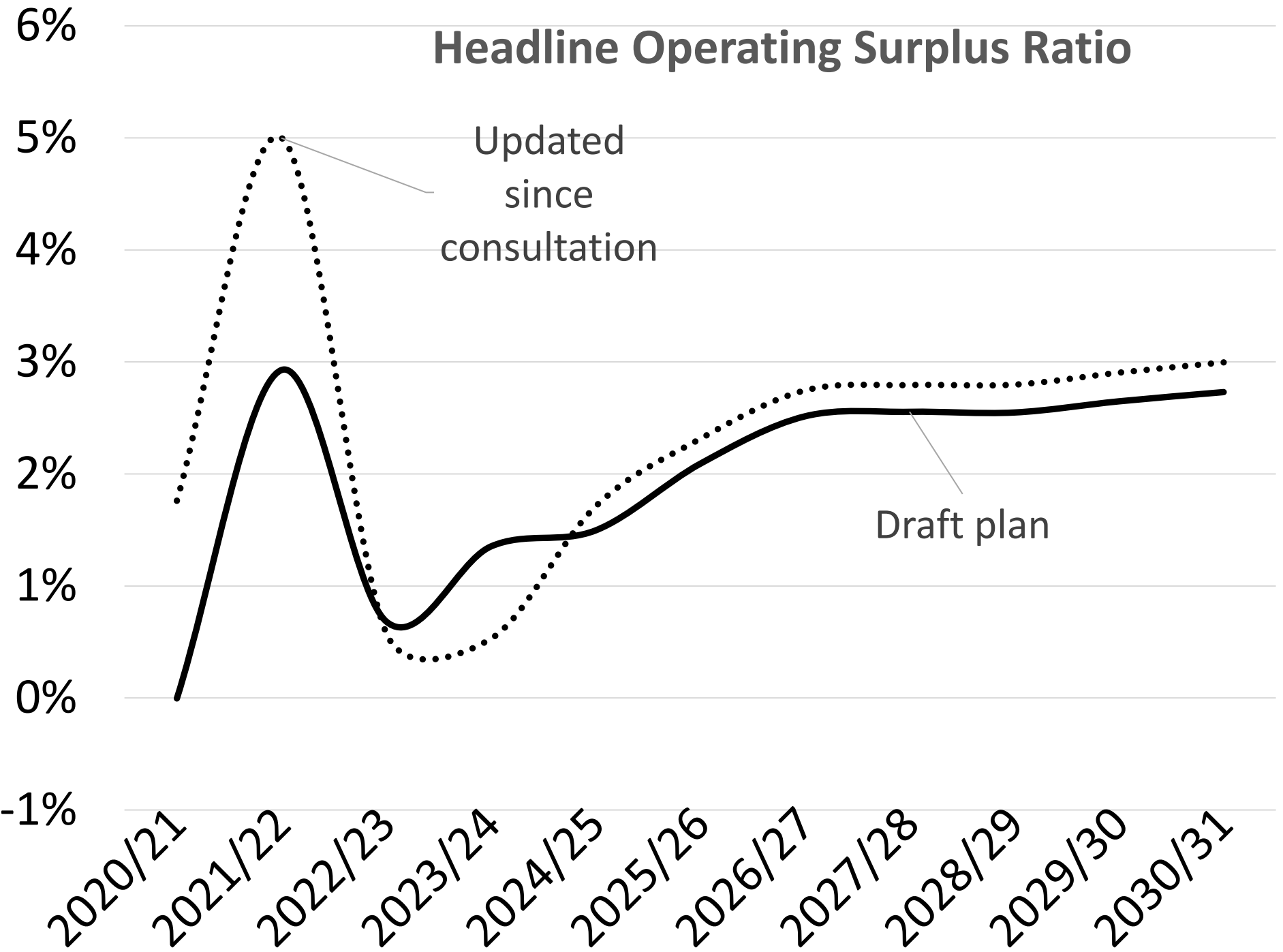
Financial Parameter	Consultation Plan	Updated Plan
Headline operating result	\$1,681,000	\$2,864,000
Underlying operating result	\$1,384,000	*\$310,000
Net Financial Liabilities (peak – 21/22)	80%	77%
General Rate Increase	2.33%	2.12%

*\$1m of roads to recovery grants reclassified

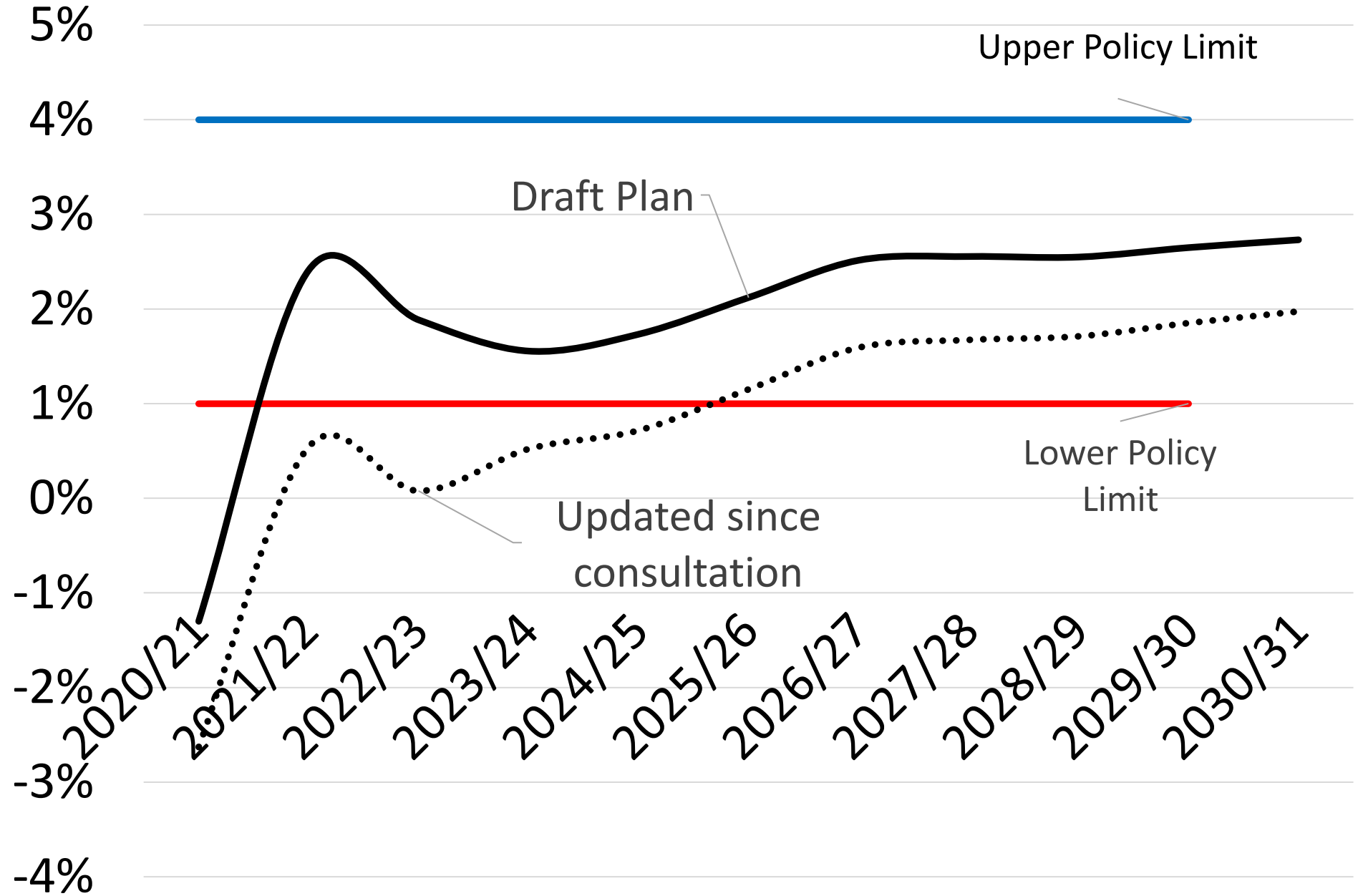
Net Financial Liabilities Ratio



Headline Operating Surplus Ratio



Underlying Operating Surplus Ratio



What has been updated?



- CPI – 1.2%
- Retimed LRCI grants
- Re-budgeted capital projects
- Re-forecast year end result
- Pt Lincoln Boulevard
- Incorporated recent council decisions 0.06%:
 - Belair to City Bikeway Stage 3A
 - Hawthorn Bowling Club Facility Upgrades
- Reclassified CLMP's as one off not ongoing (-0.27%)

Community Land Management Plans - \$150k



- Council Resolution December 2020:
 - ‘Recurrent expenditure... for 2 years.. Review in late 2022’
 - \$120k staff & consultant
 - \$30k engagement platform
- Reclassified CLMP’s as one off not ongoing, proposed 0.27% rate reduction

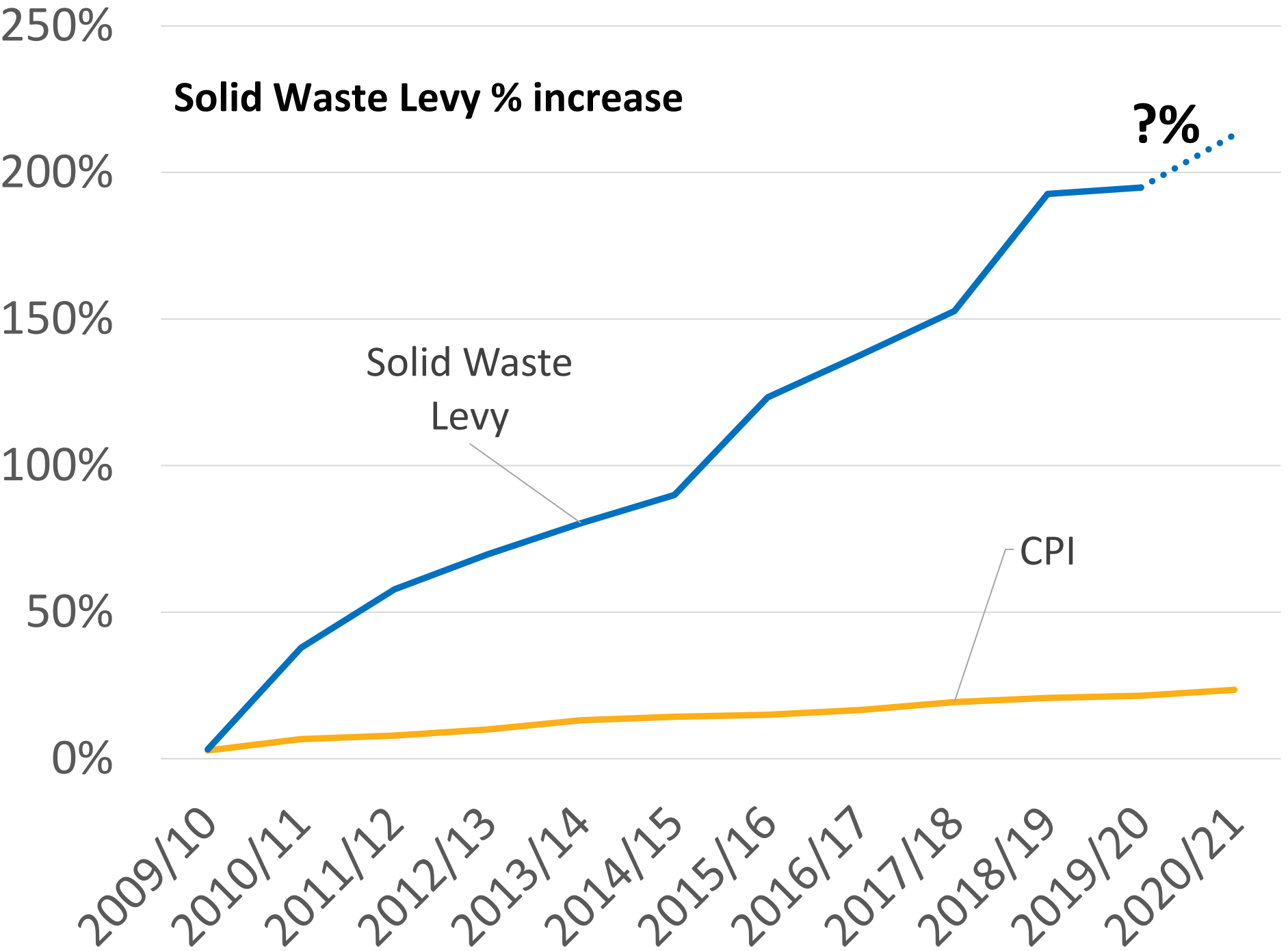
What is still to be confirmed...



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- Update subsidiary budgets – Centennial Park Cemetery
- Enterprise Bargaining Agreement
- Upcoming council decisions:
 - Tree top playground - 0.04% (approx.)
- Solid Waste Levy

Solid Waste Levy % increase



Solid Waste Levy

CPI

?%

Increase in FTE Cap



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Propose lifting the FTE cap from 257 to 260, increase of 3

1 FTE – Resourcing increased demand for library services (new services as per consultation)

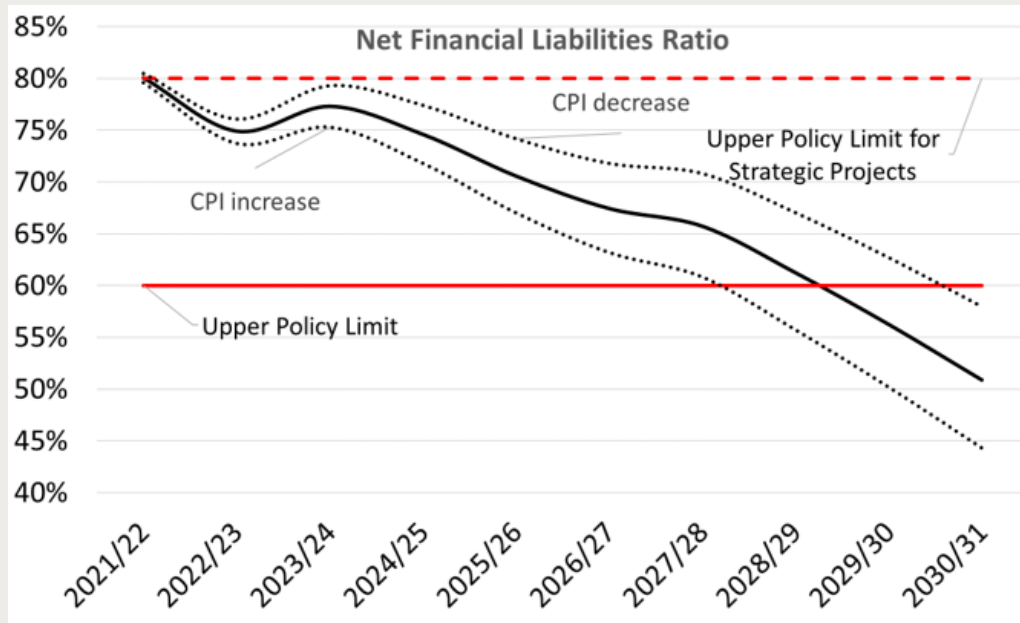
2 FTE – Council Construction Crews:

- No budget implications (in fact staff rate saving)
- Cannot incorporate within existing 257 FTE cap
- Efficiencies (capital and maintenance)
- Staff investment/development
- Future Asset Renewals Delivery Model – increased internal delivery (internal/external works ratio)

Sensitivity & risk modelling



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Modelling presented to Audit Committee:

- CPI
- Interest Rate
- Land sales
- Waste
- Grants

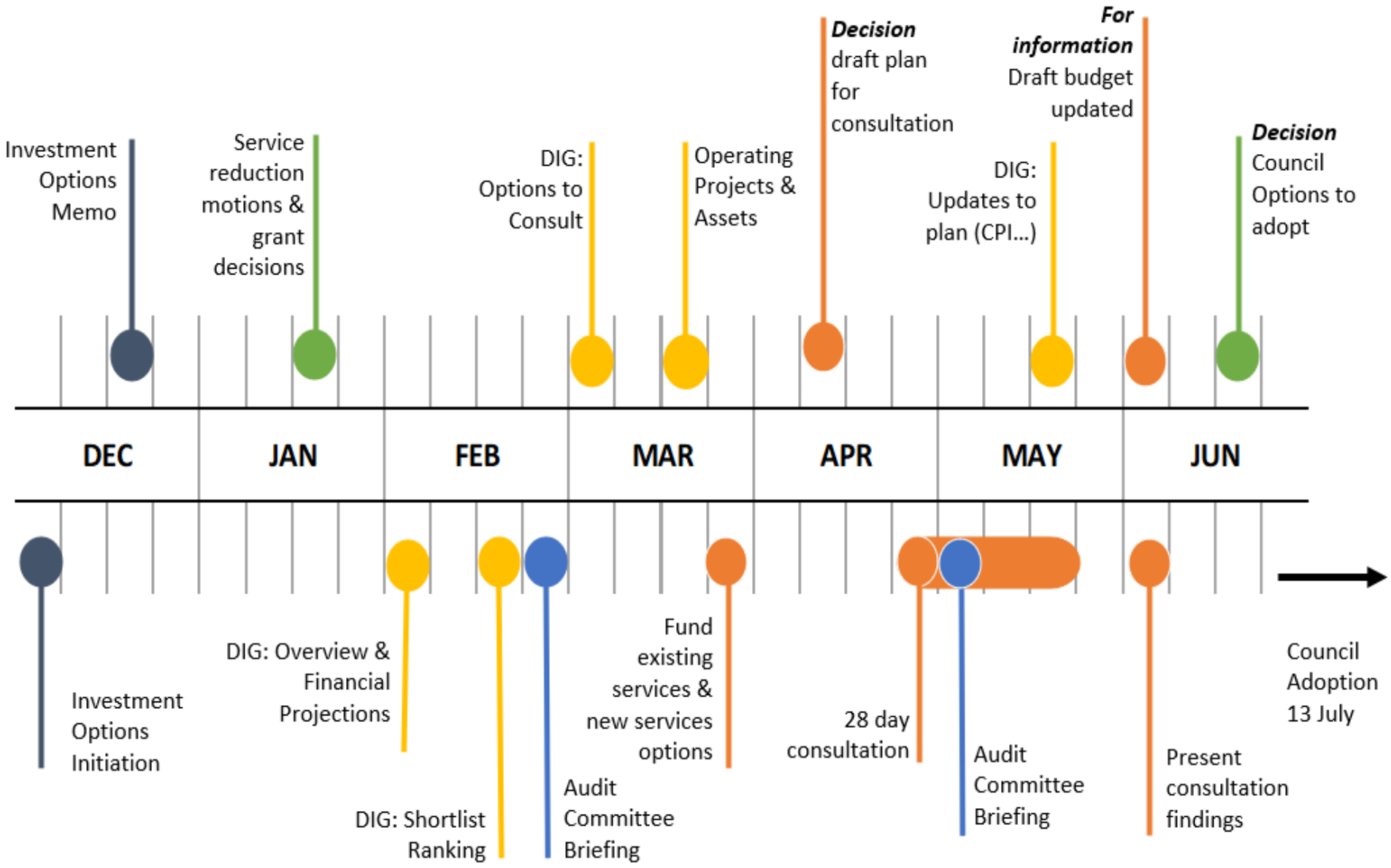
Audit committee satisfied with outcome of modelling
Budget Report to include sensitivity modelling

Key take away points



- Lower debt
- Lower rate increase
- Some items still to be confirmed

Timeline of Key Steps





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Questions?

