

Visit yoursay.mitchamcouncil.sa.gov.au/draft-annual-business-plan-2023 to provide your feedback before 5pm Saturday 10 June 2023.

WELCOME FROM THE MAYOR

On behalf of the City of Mitcham, I'm pleased to present the draft 2023/2024 Annual Business Plan, Budget and Long-Term Financial Plan.

With this Plan, we have worked hard to find efficiencies and savings to keep rate increases to a minimum as well as advance our long-term goals and vision for the city's growth and development.

We are seeking feedback on two options: a rate increase of 7.84%; or a rate increase of 8.9%.

The first option is lower than CPI and would only deliver existing services.

The second option would allow us to honour our co-funding commitments to State and Federal governments required to progress a range of projects. It would also allow us to deliver new services for people and places by boosting investment in reserves, facilities, roads and footpaths, as well as continuing to address the impact of climate change through water sensitive urban design and no-cost solar investment opportunities.

A rate increase of 7.84 per cent would result in an average rise for a residential property of approximately \$151 and \$171 for an increase of 8.9 per cent.

We look forward to hearing from you.

Dr Heather Holmes-Ross
Mayor, City of Mitcham

COUNCIL'S LONG TERM OBJECTIVES

Mitcham 2030 sets the high level vision and strategic direction for Council over 10 years. It identifies a vision, 4 goals and 12 themes:

VISION: we are a welcoming and inclusive community that values its heritage and natural environment.

GOAL 1: ACCESSIBLE, HEALTHY AND CONNECTED COMMUNITY

- Theme 1.1 Transport Network*
- Theme 1.2 Health & Wellbeing
- Theme 1.3 Services & Facilities*

GOAL 2: SUSTAINABLE CITY

- Theme 2.1 Climate Change Mitigation & Resilience*
- Theme 2.2 Sustainable Resources*
- Theme 2.3 Natural Environment

GOAL 3: DYNAMIC & PROSPEROUS PLACES

- Theme 3.1 Placemaking*
- Theme 3.2 City Vibrancy
- Theme 3.3 Partnerships

GOAL 4: EXCELLENCE IN LEADERSHIP

- Theme 4.1 Good Governance
- Theme 4.2 Organisational Improvement
- Theme 4.3 Community Experience

* The Four Year Delivery Plan identifies Priority Themes as areas that Council will seek to focus additional effort and/or investment for a four year period, to address particular challenges or opportunities.

COUNCIL'S PRIORITIES IN 2023/24

Council will deliver a number of new or enhanced services and projects in addition to its existing services.

Draft Budget Option A:

Proposes increasing rates by an average of \$151 for residential and \$399 for commercial businesses (7.84%), which will include funding the following new services and projects:

- Implementing the Brown Hill Keswick Creek Stormwater Master Plan
- Installing Solar Panels and a Battery at Belair Community Centre
- Installing Solar Panels at **Tiwu Kumangka**
- Installing Solar Panels and a Battery at the Mitcham RSL

Draft Budget Option B:

Proposes increasing rates by an average of \$171 for residential and \$454 for commercial businesses (8.90%), which will include funding the following new services and projects:

- Implementing the Brown Hill Keswick Creek Stormwater Master Plan
- Installing Solar Panels and a Battery at Belair Community Centre
- Installing Solar Panels at **Tiwu Kumangka**
- Installing Solar Panels and a Battery at the Mitcham RSL
- Investing in the Road Asset Renewal Backlog (to be completed by 2027)
- Upgrading Drainage and Carparking at AA Bailey Reserve, Clarence Gardens
- Revitalising Green Spaces in St Marys
- Upgrading Mortlock Park Oval Facilities, Colonel Light Gardens
- Upgrading Rozelle Reserve, Melrose Park
- Investing in Water Sensitive Urban Design (WSUD)
- Extending and Upgrading the Stormwater Network
- Provision of Annual Community Facilities Grants
- Additional Open Space Volunteer Coordinator
- Proposed Extension of the Blackwood Lions Bargain Centre, Eden Hills
- Maintaining Water Sensitive Urban Design Projects
- Provision for Minor New Capital Requests in Open Spaces
- Upgrade of the Flinders Drive Pedestrian Crossing with Flashing Twin Lights
- Provision of a Sustainable Living Subsidy Program for Cloth Nappies
- Implementing a Cyber Security Program
- Christmas Activation at CC Hood Reserve, Panorama
- Entrance Upgrade and Meeting Room Relocation at Hawthorn Bowling Club, Hawthorn
- Installing a Public Toilet and Storage Facilities at Manson Oval, Bellevue Heights
- Provision of a Green Buildings Fund
- Investment in Spatial Software for Weed Management in the City of Mitcham
- Implementing the City Image (Signage & Furniture) Pilot Scheme

Council will also deliver a number of one-of initiatives and programs (called operating projects). Council is currently considering these.

FINANCIAL OVERVIEW IN 2023/24

Draft Budget Option A:



Draft Budget Option B:



EXPENDITURE (Services, Assets & Debt Repayment)

Draft Budget Option A:

In conjunction with the \$75.9 million for service delivery and debt servicing, Council is investing a total of \$21.4 million on asset replacement and creation.

This includes \$14.9 million on renewing existing assets as they fall due and a further \$6.5 million will be invested in the creation of new assets and asset enhancements.

Along with the operating surplus of \$0.2 million (excluding subsidiaries and one-off items), Council is funding investment in asset renewal and creation as well as loan repayments with \$4.0 million of external grant funding, and \$18.3 million in funded depreciation.

Draft Budget Option B:

In conjunction with the \$76.1 million for service delivery and debt servicing, Council is investing a total of \$31.3 million on asset replacement and creation.

This includes \$14.9 million on renewing existing assets as they fall due, \$2.8 million on renewal assets that are past due (backlog) and a further \$13.5 million will be invested in the creation of new assets and asset enhancements.

Along with the operating surplus of \$0.7 million (excluding subsidiaries and one-off items), Council is funding investment in asset renewal and creation as well as loan repayments with \$8.1 million of external grant funding, \$18.3 million in funded depreciation and \$5.1 million in net borrowings.

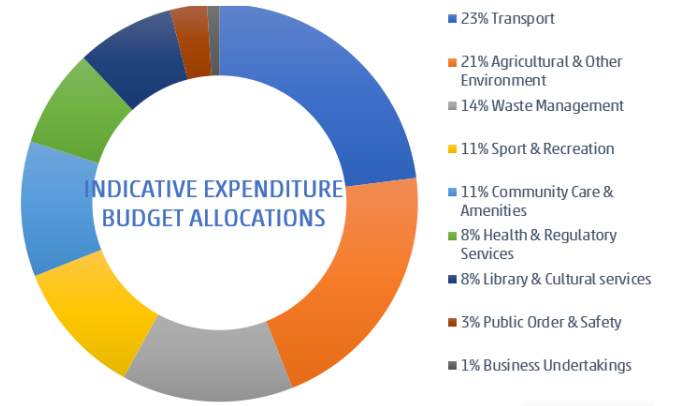
Council's 2023/24 Asset Expenditure and Revenue is summarised below:

Option A:

Asset Category	Renewal (\$m)	Renewal Backlog (\$m)	New (\$m)	Total (\$m)
Bridges	0.00	0.00	-	0.00
Bus Shelters	0.02	0.00	-	0.02
Car Parks	0.20	-	-	0.20
Buildings & Land	1.46	-	-	1.46
Footpath	0.54	-	0.04	0.58
IT Equipment	0.77	-	0.07	0.84
Office Furniture & Equipment	0.10	-	-	0.10
Open Space (incl. parks, gardens, playgrounds, lighting)	0.58	-	0.03	0.61
Plant & Equipment (incl Fleet)	1.87	-	-	1.87
Retaining Walls	0.00	-	-	0.00
Roads	9.23	-	-	9.23
Stormwater & Drainage (incl Brownhill & Keswick Creeks)	0.15	-	0.40	0.55
Solar Projects	-	-	0.27	0.27
Projects with Government Funding	-	-	5.70	5.70
TOTAL	14.91	-	6.50	21.42

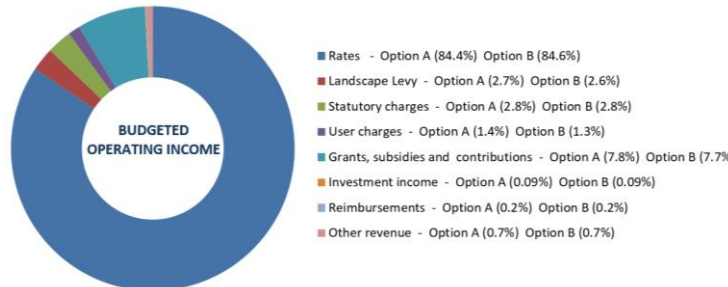
Option B:

Asset Category	Renewal (\$m)	Renewal Backlog (\$m)	New (\$m)	Total (\$m)
Bridges	0.21	0.00	-	0.21
Bus Shelters	0.03	0.00	-	0.03
Car Parks	0.03	-	-	0.03
Buildings & Land	1.46	-	0.60	2.07
Footpath	0.47	-	0.04	0.52
IT Equipment	0.77	-	0.07	0.84
Office Furniture & Equipment	0.10	-	-	0.10
Open Space (incl. parks, gardens, playgrounds, lighting)	0.52	0.06	0.16	0.74
Plant & Equipment (incl Fleet)	1.87	-	-	1.87
Retaining Walls	0.10	-	-	0.10
Roads	8.99	2.75	-	11.75
Stormwater & Drainage (incl Brownhill & Keswick Creeks)	0.02	-	1.75	1.77
Solar Projects	-	-	0.27	0.27
Projects with Government Funding	0.33	-	10.65	10.98
TOTAL	14.91	2.82	13.54	31.27



WHAT IS COUNCIL'S OPERATING INCOME?

Rates income is the primary source of funding used to provide a range of essential everyday services to the community with Option A \$64.9 million, Option B \$65.5 million being raised in the form of rates and Option A \$11.8 million, Option B \$11.9 million from other sources including user fees and charges, and State and Federal grants.



WHAT RATES WILL I PAY?

Draft Budget Option A:

To fund the activities and new service investments in this business plan, the total amount of rate revenue to be raised for 2023/24 is \$64.9 million. This will see residential rates increase by \$151 on average, and commercial rates increase by \$399 (7.84%).

Draft Budget Option B:

To fund the activities and new service investments in this business plan, the total amount of rate revenue to be raised for 2023/24 is \$65.5 million. This will see residential rates increase by \$171 on average, and commercial rates increase by \$454 (8.90%).

The difference between Options A and B is \$20 on average for residential rates and \$54 for commercial rates (1.06%).

HOW ARE PROPERTIES VALUED?

Council uses capital value of each property relative to al the other properties in the City as the basis for distributing the total required rate revenue across all ratepayers and land use types. Council utilises the capital values provided by the State Valuation Office for this purpose.

RATES BASED ON LAND USE (Differential Rate)

Council uses land use as a factor to apply differential rates. If you believe a property has been incorrectly classified as to its land use, a written objection may be made (to the Council) within 60 days of receiving the first rates notice for 2023/24.

REBATES AND DEFERRAL OF RATES

Rebates and deferral of rates are available to eligible properties for a range of reasons and situations. Council has a Postponement of Rates for Seniors Scheme and applies a rate capping scheme to all properties to ensure that significant increases in rates are moderated over time.