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FINANCIAL PRINCIPALS KEY TO THE 2020-21 BUDGET

Campaspe Shire Council has approved nine key financial principles that will guide the development of the 2020-21 Budget and Long Term Financial Plan.

Mayor Cr Adrian Weston said the principles are used to direct Council's budget-setting process and financial decision-making.

"Council has extended the principles to ensure they reflect current practice and legislative requirements," Cr Weston said.

In accordance with the Local Government Act 1989, council is required to implement principles to ensure sound financial management and must 'ensure that decisions are made, and actions are taken having regard to their financial effect on future generations'.

The following financial principles were confirmed:

- Council will effectively and efficiently use its resources to deliver the best outcomes for the community whilst ensuring ongoing future financial sustainability.
- Council will maintain an operating surplus over a four year period (current year and 3 forward years).
- Council will meet current service levels prior to the allocation of resources for new or expanded service levels or one off operating projects.
- Council seek a balance between service delivery and a cost recovery model having regard to capacity to pay.
- Council will consider the financial resources required for the implementation of the endorsed Council Plan and other Strategic Plans of Council.
- Before approving new or upgrade capital projects or the acquisition of new assets, Council will consider its asset renewal obligations.
- Before approving the acquisition of new assets, Council will have regard to the financial and social impacts along with service needs of the community.
- Council will consider the use of borrowings to fund significant capital projects where there is a demonstrated benefit to future generations and council has the capacity to service the debt.
- Council will not seek a rate cap variation while it maintains a sustainable financial position.

"These financial principles provide the foundation of council's long term financial plan and will now be used to build the 2020-21 Draft Budget planned to come out to the community in April next year," Cr Weston said.

To coordinate an interview or seek further information contact:

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