

City of Mitcham

AT A GLANCE

OVERVIEW

The Essential Services Commission finds the City of Mitcham's current and projected financial performance **sustainable** taking into account the council's forecast moderate expense growth increase over the next 10 years and the planned average rate increases of 3% p.a. per property over this period

RISKS IMPACTING SUSTAINABILITY

- ⚠️ Expansion of services and the building of new assets which increases affordability risk for ratepayers
- ⚠️ Cost constraints and savings targets are not met in accordance with its projections

CONTINUE

- ✓ Reviewing the inflation forecasts and other relevant macroeconomic assumptions
- ✓ Monitoring cost growth in the budgeting, including related to the costs of new services and initiatives
- ✓ Reporting any actual and projected cost savings in the annual budget and long-term financial plan
- ✓ Reviewing the estimates of asset useful lives
- ✓ Consulting with the community on its strategic asset management plans

COMMISSION'S RECOMMENDATIONS

- Adhere to the principles underpinning the long-term financial plan projections to continue to fund the renewal of assets
- Review the rationale for rate increase assumptions in its plans
- Consider limiting future average rate increases above inflation

KEY FACTS

- Population in 2021 was **67,617**
- Council covers **755 square kilometres**
- **29,266** rateable properties in 2022-23
- **\$70 million of rate income** in 2022-23
- Value of assets held in 2022-23 equals **\$760 million**

